

SIXTIETH LEGISLATURE - REGULAR SESSION

ONE HUNDRED SECOND DAY

House Chamber, Olympia, Thursday, April 19, 2007

The House was called to order at 10:00 a.m. by the Speaker (Representative Lovick presiding). The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Steven Dunn and Jessican Reynolds. The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. Prayer was offered by Pastor Russ Blake, Crossroads Community Covenant Church, Yelm.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

MESSAGE FROM THE SENATE

April 18, 2007

Mr. Speaker:

The Senate concurred in the House amendments to the following bills and passed the bills as amended by the House:

SUBSTITUTE SENATE BILL NO. 5224,
SUBSTITUTE SENATE BILL NO. 5412,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5627,

and the same are herewith transmitted.

Thomas Hoemann, Secretary

Page formatting changed to accommodate budget amendment.

MESSAGE FROM THE SENATE

March 31, 2007

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1094 with the following amendment:

Strike everything after the enacting clause and insert the following:

"2007-09 BIENNIUM

NEW SECTION. Sec. 1. (1) The transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2009.

(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2008" or "FY 2008" means the fiscal year ending June 30, 2008.

(b) "Fiscal year 2009" or "FY 2009" means the fiscal year ending June 30, 2009.

(c) "FTE" means full-time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(f) "Reappropriation" means appropriation and, unless the context clearly provides otherwise, is subject to the relevant conditions and limitations applicable to appropriations.

(g) "LEAP" means the legislative evaluation and accountability program committee.

GENERAL GOVERNMENT AGENCIES--OPERATING

NEW SECTION. Sec. 101. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Grade Crossing Protective Account--State Appropriation \$505,000

The appropriation in this section is subject to the following conditions and limitations: Per current law, funds will be transferred from the public service revolving fund's miscellaneous fees and penalties accounts to the grade crossing protection account--state as needed to implement the commission's railroad safety program.

NEW SECTION. Sec. 102. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle Account--State Appropriation \$3,054,000

Puget Sound Ferry Operations Account--State Appropriation \$100,000

TOTAL APPROPRIATION \$3,154,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$2,545,000 of the motor vehicle account--state appropriation is provided solely for the office of regulatory assistance integrated permitting project.
- (2) \$75,000 of the motor vehicle account state appropriation is to address transportation budget and reporting requirements.

NEW SECTION. Sec. 103. FOR THE MARINE EMPLOYEES COMMISSION

Puget Sound Ferry Operations Account--State Appropriation \$422,000

NEW SECTION. Sec. 104. FOR THE STATE PARKS AND RECREATION COMMISSION

Motor Vehicle Account--State Appropriation \$985,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for road maintenance purposes.

NEW SECTION. Sec. 105. FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account--State Appropriation \$1,358,000

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$351,000 of the motor vehicle account--state appropriation is provided solely for costs associated with the motor fuel quality program.
- (2) \$1,007,000 of the motor vehicle account--state appropriation is provided solely to test the quality of biodiesel fuel. The department must test fuel quality at the biodiesel manufacturer, distributor, and retailer.

NEW SECTION. Sec. 106. FOR THE DEPARTMENT OF ARCHEOLOGY AND HISTORIC PRESERVATION

Motor Vehicle Account--State Appropriation \$223,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is provided solely for staffing costs to be dedicated to state transportation activities. Staff hired to support transportation activities must have practical experience with complex construction projects.

NEW SECTION. Sec. 107. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Motor Vehicle Account--State Appropriation \$1,596,000

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$800,000 of the motor vehicle account--state appropriation is provided solely for the continued maintenance and support of the transportation executive information system (TEIS).
- (2) \$795,000 of the motor vehicle account--state appropriation is provided solely for development of a new transportation capital budgeting system and transition of a copy of the transportation executive information system (TEIS) to LEAP.

TRANSPORTATION AGENCIES--OPERATING

NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account--State Appropriation \$2,613,000
 Highway Safety Account--Federal Appropriation \$15,884,000
 School Zone Safety Account--State Appropriation \$3,300,000
TOTAL APPROPRIATION \$21,797,000

NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account--State Appropriation \$907,000
 Motor Vehicle Account--State Appropriation \$2,077,000
 County Arterial Preservation Account--State Appropriation \$1,402,000
TOTAL APPROPRIATION \$4,386,000

The appropriations in this section are subject to the following conditions and limitations: \$481,000 of the county arterial preservation account--state appropriation is provided solely for continued development and implementation of a maintenance management system to manage county transportation assets.

NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Urban Arterial Trust Account--State Appropriation \$1,796,000
 Transportation Improvement Account--State Appropriation \$1,798,000
TOTAL APPROPRIATION \$3,594,000

NEW SECTION. Sec. 204. FOR THE BOARD OF PILOTAGE COMMISSIONERS

Pilotage Account--State Appropriation \$1,157,000

NEW SECTION. Sec. 205. FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account--State Appropriation \$2,853,000
 Multimodal Transportation Account--State Appropriation \$1,650,000
TOTAL APPROPRIATION \$4,503,000

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$600,000 of the motor vehicle account--state appropriation is provided solely to establish a workgroup to implement Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358 (regarding state ferries) and look at other matters relating to Washington state ferries. The cochairs of the committee shall establish the workgroup comprising committee members, or their designees; an

appointee by the governor; and other stakeholders as appointed by the cochairs; to assist in the committee's work. The workgroup shall report the progress of its tasks to the transportation committees of the legislature by December 15, 2007. The workgroup is tasked with the following:

(a) Implementing the recommendations of Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358 (regarding state ferries). As directed by Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358, the committee workgroup shall participate in and provide a review of the following:

(i) The Washington transportation commission's development and interpretation of a market survey of ferry customers;

(ii) The department of transportation's analysis and reestablishment of vehicle level of service standards. In reestablishing the standards, consideration must be given to whether boat wait is the appropriate measure;

(iii) The department's development of operational strategies;

(iv) The department's development of pricing strategies. In developing these strategies, the policy, in effect on some routes, of collecting fares in only one direction must be evaluated to determine whether one-way fare pricing best serves the ferry system;

(v) The department's development of terminal design standards; and

(vi) The department's development of a long-range capital plan;

(b) Reviewing the following Washington state ferry programs:

(i) Ridership demand forecast;

(ii) Updated life cycle cost model, as directed by Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358; and

(iii) Administrative operating costs; nonlabor and nonfuel operating costs; Eagle Harbor maintenance facility program and maintenance costs; administrative and systemwide capital costs; and vessel preservation costs; and

(c) Making recommendations regarding:

(i) The most efficient timing and sizing of future vessel acquisitions beyond those currently authorized by the legislature. Vessel acquisition recommendations must be based on the ridership projections, level of service standards, and operational and pricing strategies reviewed by the committee and must include the impact of those recommendations on the timing and size of terminal capital investments and the state ferries' long range operating and capital finance plans; and

(ii) Capital financing strategies for consideration in the 2009 legislative session. This work must include confirming the department's estimate of future capital requirements based on a long range capital plan and must include the department's project of developing a plan for codevelopment and public private partnership opportunities at public ferry terminals.

(2) \$50,000 of the motor vehicle account--state appropriation is provided solely to contract with the joint legislative audit and review committee to:

(a) Review the Washington state ferries' proposed capital cost allocation plan methodology, as described in Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358, and report regarding its review to the legislature not later than January, 2008.

(b) Review the Washington state ferries' assignment of preservation costs as required by Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358, for fiscal year 2008, to determine whether costs are capital costs and whether they meet the statutory requirements for preservation activities, and report its findings to the legislature not later than December 15, 2009.

(c) Review the Washington state ferries' implementation of the life cycle cost model, as required by Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358, and report to the legislature not later than June 30, 2009, on whether the model:

(i) Complies with available industry standards or department-adopted standards when industry standards are not available;

(ii) Is maintained and updated when asset inspections are made;

(iii) Excludes utilities and other systems that are not replaced on a standard life cycle; and

(iv) Provides that all assets in the life-cycle cost model are inspected and updated for asset condition at least every three years.

(3) \$250,000 of the motor vehicle account--state appropriation and \$250,000 of the multimodal transportation account--state appropriation are provided solely for the administration of a consultant study to evaluate the imposition of a fee on the processing of shipping containers, port-related user fees, and other funding mechanisms to improve freight corridors for deposit in the freight congestion relief account created under chapter 46.68 RCW. The findings and recommendations of the report must be submitted to the transportation committees of the legislature by December 1, 2007. Although the scope of work for the study may be expanded to include analysis of other issues relevant to the imposition of container port-related user fees, at a minimum the study must:

(a) Assess the imposition of a shipping container based fee, port-related user fees, and other funding mechanisms on the demand elasticity of the movement of freight goods through Washington's container ports at various rates as well as forecast diversion of marine cargo at various price points;

(b) Measure the return on investment in freight rail and highway-based infrastructure supported by the user fee and its impact on forecast growth in shipping container traffic and the movement of freight goods;

(c) Recommend the structure of a future project recommendation body including its membership, process, and selection criteria; and

(d) Examine existing data on the health and environmental cost impacts of maritime shipping and the movement of freight goods on air quality near Washington's container ports.

(4) \$300,000 of the multimodal transportation account--state appropriation is provided solely to implement Substitute House Bill No. 1694 (coordinated transportation). If Substitute House Bill No. 1694 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$100,000 of the multimodal transportation account--state appropriation is provided solely for a study of the consolidation of those transportation related functions, currently delegated to the utilities and transportation commission, within other state agencies, which the committee shall report to the legislature by December 15, 2007.

NEW SECTION. Sec. 206. FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account--State Appropriation	\$2,177,000
Multimodal Transportation Account--State Appropriation	\$262,000
TOTAL APPROPRIATION	\$2,439,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$350,000 of the motor vehicle account--state appropriation is provided solely for the commission to conduct a market survey of ferry customers as described in Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358. Development and interpretation of the survey must be done with participation of the joint transportation committee workgroup established in section 205(1) of this act.

(2) \$150,000 of the multimodal transportation account--state appropriation is provided solely for the commission to convene a forum of key transportation and environmental stakeholders to identify ways in which the state can directly impact the reduction of greenhouse gas

emissions due to transportation, and begin to identify the impacts such policy and operational changes may have on long-term transportation revenues. The result of the forum should be to identify the major issues regarding transportation's impact on climate change and to submit recommendations to the legislature prior to the 2008 regular session regarding the next steps needed to address this issue.

NEW SECTION. Sec. 207. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Motor Vehicle Account--State Appropriation \$697,000

The appropriation in this section is subject to the following conditions and limitations:

- (1) The freight mobility strategic investment board shall, on a quarterly basis, provide status reports to the office of financial management and the transportation committees of the legislature on the delivery of projects funded by this act.
- (2) The freight mobility strategic investment board and the department of transportation shall develop a list of freight highway and rail projects funded by the board and the department. The board and the department shall collaborate to submit a report to the office of financial management and the transportation committees of the legislature by September 1, 2007, describing how the freight projects address state freight priorities. The criteria used for selecting among competing projects shall be clearly identified.

NEW SECTION. Sec. 208. FOR THE WASHINGTON STATE PATROL--FIELD OPERATIONS BUREAU

State Patrol Highway Account--State Appropriation \$227,384,000
 State Patrol Highway Account--Federal Appropriation \$10,602,000
 State Patrol Highway Account--Private/Local Appropriation \$410,000
TOTAL APPROPRIATION \$238,396,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol shall be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.
- (2) In addition to the user fees, the patrol shall transfer into the state patrol nonappropriated airplane revolving account under RCW 43.79.470 no more than the amount of appropriated state patrol highway account and general fund funding necessary to cover the costs for the patrol's use of the aircraft. The state patrol highway account and general fund--state funds shall be transferred proportionately in accordance with a cost allocation that differentiates between highway traffic enforcement services and general policing purposes.
- (3) The patrol shall not account for or record locally provided DUI cost reimbursement payments as expenditure credits to the state patrol highway account. The patrol shall report the amount of expected locally provided DUI cost reimbursements to the governor and transportation committees of the senate and house of representatives by September 30th of each year.
- (4) \$1,662,000 of the state patrol highway account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1304 (commercial vehicle enforcement). If Substitute House Bill No. 1304 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.
- (5) During the fiscal year 2008, the Washington state patrol shall continue to perform traffic accident investigations on Thurston, Mason, and Lewis county roads, and shall work with the counties to transition the traffic accident investigations on county roads to the counties by July 1, 2008.
- (6) \$100,000 of the state patrol highway account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1417 (health benefits for surviving dependents). If Substitute House Bill No. 1417 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 209. FOR THE WASHINGTON STATE PATROL--INVESTIGATIVE SERVICES BUREAU

State Patrol Highway Account--State Appropriation \$1,597,000

NEW SECTION. Sec. 210. FOR THE WASHINGTON STATE PATROL--TECHNICAL SERVICES BUREAU

State Patrol Highway Account--State Appropriation \$104,004,000
 State Patrol Highway Account--Private/Local Appropriation \$2,008,000
TOTAL APPROPRIATION \$106,012,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) The Washington state patrol shall work with the risk management division in the office of financial management in compiling the Washington state patrol's data for establishing the agency's risk management insurance premiums to the tort claims account. The office of financial management and the Washington state patrol shall submit a report to the legislative transportation committees by December 31st of each year on the number of claims, estimated claims to be paid, method of calculation, and the adjustment in the premium.
- (2) \$12,641,000 of the total appropriation is provided solely for automobile fuel in the 2007-2009 biennium.
- (3) \$8,678,000 of the total appropriation is provided solely for the purchase of pursuit vehicles.
- (4) \$5,254,000 of the total appropriation is provided solely for vehicle repair and maintenance costs of vehicles used for highway purposes.
- (5) \$384,000 of the total appropriation is provided solely for the purchase of mission vehicles used for highway purposes in the commercial vehicle and traffic investigation sections of the Washington state patrol.
- (6) The Washington state patrol may submit information technology related requests for funding only if the department has coordinated with the department of information services as required by section 602 of this act.

NEW SECTION. Sec. 211. FOR THE WASHINGTON STATE PATROL--CRIMINAL HISTORY AND BACKGROUND

CHECKS. In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform criminal history and background checks for state and local agencies and nonprofit and other private entities and disseminate the records resulting from these activities. The Washington state patrol is required to charge a fee for these activities, for which it is the policy of the state of Washington that the fees cover the direct and indirect costs of performing the criminal history and background checks and disseminating the information. For each type of criminal history and background check and dissemination of these records, the Washington state patrol shall, as nearly as practicable, set fees at levels sufficient to cover the direct and indirect costs. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the cost of supervision and regulation.

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF LICENSING--MANAGEMENT AND SUPPORT SERVICES

Marine Fuel Tax Refund Account--State Appropriation	\$4,000
Motorcycle Safety Education Account--State Appropriation	\$156,000
Wildlife Account--State Appropriation	\$100,000
Highway Safety Account--State Appropriation	\$14,625,000
Motor Vehicle Account--State Appropriation	\$9,019,000
Motor Vehicle Account--Federal Appropriation	\$15,000
Department of Licensing Services Account--State Appropriation	\$126,000
TOTAL APPROPRIATION	\$24,045,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$182,000 of the highway safety account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1267 (modifying commercial driver's license requirements). If Substitute House Bill No. 1267 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department shall informally report to the legislature by December 1, 2008, with measurable data indicating the department's progress in meeting its goal of improving public safety by improving the quality of the commercial driver's license testing process.

(2) \$45,000 of the motorcycle safety education account--state appropriation is provided solely for the implementation of Senate Bill No. 5273 (modifying motorcycle driver's license endorsement and education provisions). If Senate Bill No. 5273 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) \$434,000 of the highway safety account--state appropriation is provided solely for costs associated with the systems development and issuance of enhanced drivers' licenses and identicards to facilitate crossing the Canadian border. If Engrossed Substitute House Bill No. 1289 (relating to the issuance of enhanced drivers' licenses and identicards) is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department may expend funds only after acceptance of the enhanced Washington state driver's license for border crossing purposes by the Canadian and United States governments. The department may expend funds only after prior written approval of the director of financial management.

(4) \$91,000 of the motor vehicle account--state appropriation and \$152,000 of the highway safety account--state appropriation are provided solely for contracting with the office of the attorney general to investigate criminal activity uncovered in the course of the agency's licensing and regulatory activities. Funding is provided for the 2008 fiscal year. The department may request funding for the 2009 fiscal year if the request is submitted with measurable data indicating the department's progress in meeting its goal of increased prosecution of illegal activity.

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF LICENSING--INFORMATION SERVICES

Marine Fuel Tax Refund Account--State Appropriation	\$2,000
State Patrol Highway Account--State Appropriation	\$1,126,000
Motorcycle Safety Education Account--State Appropriation	\$72,000
Wildlife Account--State Appropriation	\$47,000
Highway Safety Account--State Appropriation	\$27,583,000
Motor Vehicle Account--State Appropriation	\$13,068,000
Motor Vehicle Account--Private/Local Appropriation	\$500,000
Department of Licensing Services Account--State Appropriation	\$2,510,000
TOTAL APPROPRIATION	\$44,908,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$153,000 of the highway safety account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1267 (modifying commercial driver's license requirements). If Substitute House Bill No. 1267 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department shall informally report to the legislature by December 1, 2008, with measurable data indicating the department's progress in meeting its goal of improving public safety by improving the quality of the commercial driver's license testing process.

(2) \$34,000 of the motorcycle safety education account--state appropriation is provided solely for the implementation of Senate Bill No. 5273 (modifying motorcycle driver's license endorsement and education provisions). If Senate Bill No. 5273 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) \$6,014,000 of the highway safety account--state appropriation is provided solely for costs associated with the systems development and issuance of enhanced drivers' licenses and identicards to facilitate crossing the Canadian border. If Engrossed Substitute House Bill No. 1289 (relating to the issuance of enhanced drivers' licenses and identicards) is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department may expend funds only after acceptance of the enhanced Washington state driver's license for border crossing purposes by the Canadian and United States governments. The department may expend funds only after prior written approval of the director of financial management.

(4) \$350,000 of the highway safety account--state appropriation is provided solely for the costs associated with the systems development of the interface that will allow insurance carriers and their agents real time, online access to drivers' records. If Substitute Senate Bill No. 5937 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$1,126,000 of the state patrol highway account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1304 (modifying commercial motor vehicle carrier provisions). If Substitute House Bill No. 1304 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(6) The department may submit information technology related requests for funding only if the department has coordinated with the department of information services as required by section 602 of this act.

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF LICENSING--VEHICLE SERVICES

Marine Fuel Tax Refund Account--State Appropriation	\$26,000
State Patrol Highway Account--State Appropriation	\$19,000
Wildlife Account--State Appropriation	\$694,000
Highway Safety Account--State Appropriation	\$460,000
Motor Vehicle Account--State Appropriation	\$57,106,000
Motor Vehicle Account--Federal Appropriation	\$102,000
Motor Vehicle Account--Private/Local Appropriation	\$872,000

Department of Licensing Services Account--State Appropriation	\$902,000
TOTAL APPROPRIATION	\$60,181,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$19,000 of the state patrol highway account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1304 (modifying commercial motor vehicle carrier provisions). If Substitute House Bill No. 1304 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) The department shall, working with the legislature, develop a proposal to streamline title and registration statutes to specifically address apparent conflicts, fee distribution, and other recommendations by the department that are revenue neutral and which do not change legislative policy. The department shall report the results of this review to the transportation committees of the legislature by December 1, 2007.

NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF LICENSING--DRIVER SERVICES

Motorcycle Safety Education Account--State Appropriation	\$3,675,000
Highway Safety Account--State Appropriation	\$99,198,000
Highway Safety Account--Federal Appropriation	\$233,000
TOTAL APPROPRIATION	\$103,106,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,606,000 of the motor vehicle account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1267 (modifying commercial driver's license requirements). If Substitute House Bill No. 1267 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department shall informally report to the legislature by December 1, 2008, with measurable data indicating the department's progress in meeting its goal of improving public safety by improving the quality of the commercial driver's license testing process.

(2) \$637,000 of the motorcycle safety education account--state appropriation is provided solely for implementing Senate Bill No. 5273 (modifying motorcycle driver's license endorsement and education provisions). If Senate Bill No. 5273 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) \$2,424,000 of the motor vehicle account--state appropriation is provided solely for costs associated with the systems development and issuance of enhanced drivers' licenses and identicards to facilitate crossing the Canadian border. If Engrossed Substitute House Bill No. 1289 (relating to the issuance of enhanced drivers' licenses and identicards) is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department may expend funds only after acceptance of the enhanced Washington state driver's license for border crossing purposes by the Canadian and United States governments. The department may expend funds only after prior written approval of the director of financial management.

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION--TOLL OPERATIONS AND MAINTENANCE--

PROGRAM B

High-Occupancy Toll Lanes Account--State Appropriation	\$2,596,000
Motor Vehicle Account--State Appropriation	\$5,600,000
Tacoma Narrows Toll Bridge Account--State Appropriation	\$29,004,000
TOTAL APPROPRIATION	\$37,200,000

The appropriations in this section are subject to the following conditions and limitations: \$5,000,000 of the motor vehicle account--state is provided solely to provide a reserve for the Tacoma Narrows Bridge project. This appropriation shall be held in unallotted status until the office of financial management deems that revenues applicable to the Tacoma Narrows Bridge project are not sufficient to cover the project's expenditures.

NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION--INFORMATION TECHNOLOGY--

PROGRAM C

Transportation Partnership Account--State Appropriation	\$4,556,000
Motor Vehicle Account--State Appropriation	\$66,002,000
Motor Vehicle Account--Federal Appropriation	\$1,096,000
Puget Sound Ferry Operations Account--State Appropriation	\$9,188,000
Multimodal Transportation Account--State Appropriation	\$363,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$4,000,000
TOTAL APPROPRIATION	\$85,205,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall consult with the office of financial management and the department of information services to ensure that (a) the department's current and future system development is consistent with the overall direction of other key state systems; and (b) when possible, use or develop common statewide information systems to encourage coordination and integration of information used by the department and other state agencies and to avoid duplication.

(2) The department shall provide updated information on six project milestones for all active projects, funded in part or in whole with 2005 transportation partnership account funds or 2003 nickel account funds, on a quarterly basis in the transportation executive information system (TEIS). The department shall also provide updated information on six project milestones for projects, funded with preexisting funds and that are agreed to by the legislature, office of financial management, and the department, on a quarterly basis in TEIS.

(3) \$2,300,000 of the motor vehicle account--state appropriation is provided solely for preliminary work needed to transition the department to the state government network. In collaboration with the department of information services the department shall complete an inventory of the current network infrastructure, and develop an implementation plan for transition to the state government network.

(4) \$1,000,000 of the motor vehicle account--state appropriation, \$4,566,000 of the transportation partnership account--state appropriation, and \$4,000,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for the department to develop a project management and reporting system which is a collection of integrated tools for capital construction project managers to use to perform all the necessary tasks associated with project management. The department shall integrate commercial off-the-shelf software with existing department systems and enhanced approaches to data management to provide web-based access for multi-level reporting and improved business workflows and reporting. Beginning September 1, 2007, and on a quarterly basis thereafter, the department shall report to the office of financial

management and the transportation committees of the legislature on the status of the development and integration of the system. The first report shall include a detailed work plan for the development and integration of the system including timelines and budget milestones. At a minimum the ensuing reports shall indicate the status of the work as it compares to the work plan, any discrepancies, and proposed adjustments necessary to bring the project back on schedule or budget if necessary.

(5) The department may submit information technology related requests for funding only if the department has coordinated with the department of information services as required by section 602 of this act.

NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION--FACILITY MAINTENANCE, OPERATIONS AND CONSTRUCTION--PROGRAM D--OPERATING

Motor Vehicle Account--State Appropriation \$34,553,000

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION--AVIATION--PROGRAM F

Aeronautics Account--State Appropriation \$6,890,000
 Aeronautics Account--Federal Appropriation \$2,150,000
 Multimodal Transportation Account--State Appropriation \$631,000
TOTAL APPROPRIATION \$9,671,000

The appropriations in this section are subject to the following conditions and limitations: The entire multimodal transportation account--state appropriation is provided solely for the aviation planning council as provided for in RCW 47.68.410.

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM DELIVERY MANAGEMENT AND SUPPORT--PROGRAM H

Transportation Partnership Account--State Appropriation \$2,921,000
 Motor Vehicle Account--State Appropriation \$50,486,000
 Motor Vehicle Account--Federal Appropriation \$500,000
 Multimodal Transportation Account--State Appropriation \$250,000
 Transportation 2003 Account (Nickel Account)--State Appropriation \$2,921,000
TOTAL APPROPRIATION \$57,078,000

The appropriations in this section are subject to the following conditions and limitations: \$2,921,000 of the transportation partnership account--state appropriation and \$2,921,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for consultant contracts to assist the department in the delivery of the capital construction program.

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION--ECONOMIC PARTNERSHIPS--PROGRAM K

Motor Vehicle Account--State Appropriation \$1,454,000
 Multimodal Transportation Account--State Appropriation \$300,000
TOTAL APPROPRIATION \$1,754,000

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$300,000 of the multimodal account--state appropriation is provided solely for the department to hire a consultant to develop a plan for codevelopment and public-private partnership opportunities at public ferry terminals.
- (2) The department shall conduct an analysis and, if determined to be feasible, initiate requests for proposals involving the distribution of alternative fuels along state department of transportation rights-of-way.

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION--HIGHWAY MAINTENANCE--PROGRAM M

Motor Vehicle Account--State Appropriation \$321,684,000
 Motor Vehicle Account--Federal Appropriation \$2,000,000
 Motor Vehicle Account--Private/Local Appropriation \$5,797,000
TOTAL APPROPRIATION \$329,481,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) If portions of the appropriations in this section are required to fund maintenance work resulting from major disasters not covered by federal emergency funds such as fire, flooding, and major slides, supplemental appropriations must be requested to restore state funding for ongoing maintenance activities.
- (2) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal amount of the motor vehicle account--state into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.
- (3) The department shall request an unanticipated receipt for any private or local funds received for reimbursements of third party damages that are in excess of the motor vehicle account--private/local appropriation.
- (4) \$1,500,000 of the motor vehicle account--federal appropriation is provided for unanticipated federal funds that may be received during the 2007-09 biennium. Upon receipt of the funds, the department shall provide a report on the use of the funds to the transportation committees of the legislature and the office of financial management.
- (5) Funding is provided for maintenance on the state system to deliver service level targets as listed in LEAP Transportation Document 2007-C, as developed March 27, 2007. In delivering the program and aiming for these targets, the department should concentrate on the following areas:
 - (a) Eliminating the number of activities delivered in the "f" level of service at the region level; and
 - (b) Evaluating, analyzing, and potentially redistributing resources within and among regions to provide greater consistency in delivering the program statewide and in achieving overall level of service targets.
- (6) The department may work with the department of corrections to utilize corrections crews for the purposes of litter pickup on state highways.

(7) \$650,000 of the motor vehicle account--state appropriation is provided solely for increased asphalt costs. If Substitute Senate Bill No. 5080 (waste tire fees) is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--OPERATING

Motor Vehicle Account--State Appropriation	\$52,017,000
Motor Vehicle Account--Federal Appropriation	\$2,050,000
Motor Vehicle Account--Private/Local Appropriation	\$127,000
TOTAL APPROPRIATION	\$54,194,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$654,000 of the motor vehicle account--state appropriation is provided solely for the department to time state-owned and operated traffic signals. This funding may also be used to program incident, emergency, or special event signal timing plans.

(2) \$346,000 of the motor vehicle account--state appropriation is provided solely for the department to implement a pilot tow truck incentive program. The department may provide incentive payments to towing companies that meet clearance goals on accidents that involve heavy trucks.

(3) \$6,800,000 of the motor vehicle account--state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. By January 1, 2008, and January 1, 2009, the department shall provide a report to the legislature listing all low-cost enhancement projects prioritized on a statewide rather than regional basis completed in the prior year.

(4) The department, in consultation with the Washington state patrol, may conduct a pilot program for the patrol to issue infractions based on information from automated traffic safety cameras in roadway construction zones on state highways when workers are present.

(a) In order to ensure adequate time in the 2007-09 biennium to evaluate the effectiveness of the pilot program, any projects authorized by the department must be authorized by December 31, 2007.

(b) The department shall use the following guidelines to administer the program:

(i) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(ii) The department shall plainly mark the locations where the automated traffic safety cameras are used by placing signs on locations that clearly indicate to a driver that he or she is entering a roadway construction zone where traffic laws are enforced by an automated traffic safety camera;

(iii) Notices of infractions must be mailed to the registered owner of a vehicle within fourteen days of the infraction occurring;

(iv) The owner of the vehicle is not responsible for the violation if the owner of the vehicle, within fourteen days of receiving notification of the violation, mails to the patrol, a declaration under penalty of perjury, stating that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner, or any other extenuating circumstances;

(v) For purposes of the 2007-09 biennium pilot project, infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras must be processed in the same manner as parking infractions for the purposes of RCW 3.46.120, 3.50.100, 35.20.220, 46.16.216, and 46.20.270(3). However, the amount of the fine issued for an infraction generated through the use of an automated traffic safety camera is one hundred thirty-seven dollars. The court shall remit thirty-two dollars of the fine to the state treasurer for deposit into the state patrol highway account;

(vi) If a notice of infraction is sent to the registered owner and the registered owner is a rental car business, the infraction will be dismissed against the business if it mails to the patrol, within fourteen days of receiving the notice, a declaration under penalty of perjury of the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred. If the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred, the business must sign a declaration under penalty of perjury to this effect. The declaration must be mailed to the patrol within fourteen days of receiving the notice of traffic infraction. Timely mailing of this declaration to the issuing agency relieves a rental car business of any liability under this section for the notice of infraction. A declaration form suitable for this purpose must be included with each automated traffic infraction notice issued, along with instructions for its completion and use; and

(vii) By June 30, 2009, the department shall provide a report to the legislature regarding the use, public acceptance, outcomes, and other relevant issues regarding the pilot project.

NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF TRANSPORTATION-- TRANSPORTATION MANAGEMENT AND SUPPORT--PROGRAM S

Motor Vehicle Account--State Appropriation	\$28,439,000
Motor Vehicle Account--Federal Appropriation	\$30,000
Puget Sound Ferry Operations Account--State Appropriation	\$1,321,000
Multimodal Transportation Account--State Appropriation	\$1,223,000
TOTAL APPROPRIATION	\$31,013,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall work with staffs from the office of financial management, the legislative evaluation and accountability program committee, and the transportation committees of the legislature to develop a common approach to state transportation budgeting and to develop a strategy to meet identified information needs. At a minimum, that effort must provide comprehensive schematic diagrams of the current and proposed transportation capital budget process, information flows, and data exchanges; common, agreed-upon data definitions and business rules; detailed transportation capital budget data and system requirements; and a strategy that includes a description of a phased implementation approach as well as associated cost and timeframe estimates. The results of this review are due to the office of financial management and the transportation committees of the legislature by September 1, 2007.

(2) \$250,000 of the multimodal account--state appropriation is provided solely for implementing a wounded combat veteran's internship program, administered by the department. The department shall seek federal funding to support the continuation of this program.

NEW SECTION. Sec. 225. FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION PLANNING, DATA, AND RESEARCH--PROGRAM T

Motor Vehicle Account--State Appropriation	\$30,691,000
Motor Vehicle Account--Federal Appropriation	\$19,163,000

Multimodal Transportation Account--State Appropriation	\$1,178,000
Multimodal Transportation Account--Federal Appropriation	\$2,809,000
Multimodal Transportation Account--Private/Local Appropriation	\$100,000
TOTAL APPROPRIATION	\$53,941,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,900,000 of the motor vehicle account--state appropriation is provided solely for the costs of the regional transportation investment district (RTID) and department of transportation project oversight. The department shall provide support from its urban corridors region to assist in preparing project costs, expenditure plans, and modeling. The department shall not deduct a management reserve, nor charge management or overhead fees. These funds, including those expended since 2003, are provided as a loan to the RTID and shall be repaid to the state within one year following formation of the RTID. \$2,391,000 of the amount provided under this subsection shall lapse, effective January 1, 2008, if voters fail to approve formation of the RTID at the 2007 general election, as determined by the certification of the election results.

(2) \$300,000 of the multimodal transportation account--state appropriation is provided solely for a transportation demand management program, developed by the Whatcom council of governments, to further reduce drive-alone trips and maximize the use of sustainable transportation choices. The community-based program must focus on all trips, not only commute trips, by providing education, assistance, and incentives to four target audiences: (a) Large work sites; (b) employees of businesses in downtown areas; (c) school children; and (d) residents of Bellingham.

(3) \$320,000 of the motor vehicle account--state appropriation and \$128,000 of the motor vehicle account--federal appropriation are provided solely for development of a freight database to help guide freight investment decisions and track project effectiveness. The database will be based on truck movement tracked through geographic information system technology. TransNow will contribute an additional \$192,000 in federal funds which are not appropriated in the transportation budget. The department shall work with the freight mobility strategic investment board to implement this project.

(4) By December 1, 2008, the department shall require confirmation from jurisdictions that plan under the growth management act, chapter 36.70A RCW, and that receive state transportation funding under this act, that the jurisdictions have adopted standards for access permitting on state highways that meet or exceed department standards in accordance with RCW 47.50.030(3). The objective of this subsection is to encourage local governments, through the receipt of state transportation funding, to adhere to best practices in access control applicable to development activity significantly impacting state transportation facilities. By January 1, 2009, the department shall submit a report to the appropriate committees of the legislature detailing the progress of the local jurisdictions in adopting the highway access permitting standards. Additionally, in consultation with the department of community, trade, and economic development, counties, and cities, the department shall by December 1, 2008, develop model guidelines regarding standard descriptions of proposed land use activities along state highway corridors for incorporation into county and city comprehensive plans.

(5) \$150,000 of the motor vehicle account--federal appropriation is provided solely for the costs to develop an electronic map-based computer application that will enable law enforcement officers and others to more easily locate collisions and other incidents in the field.

NEW SECTION. Sec. 226. FOR THE DEPARTMENT OF TRANSPORTATION--CHARGES FROM OTHER AGENCIES--PROGRAM U

Motor Vehicle Account--State Appropriation	\$66,342,000
Motor Vehicle Account--Federal Appropriation	\$400,000
Multimodal Transportation Account--State Appropriation	\$259,000
TOTAL APPROPRIATION	\$67,001,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$36,665,000 of the motor vehicle fund--state appropriation is provided solely for the liabilities attributable to the department of transportation. The office of financial management must provide a detailed accounting of the revenues and expenditures of the self-insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.

(2) Payments in this section represent charges from other state agencies to the department of transportation.

(a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT DIVISION OF RISK MANAGEMENT FEES	\$1,520,000
(b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR	\$1,150,000
(c) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES	\$4,157,000
(d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL	\$4,033,000
(e) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND ADMINISTRATION	\$36,665,000
(f) FOR PAYMENT OF THE DEPARTMENT OF GENERAL ADMINISTRATION CAPITAL PROJECTS SURCHARGE	\$1,838,000
(g) FOR ARCHIVES AND RECORDS MANAGEMENT	\$647,000
(h) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS ENTERPRISES	\$1,070,000
(i) FOR USE OF FINANCIAL SYSTEMS PROVIDED BY THE OFFICE OF FINANCIAL MANAGEMENT	\$930,000
(j) FOR POLICY ASSISTANCE FROM THE DEPARTMENT OF INFORMATION SERVICES	\$1,138,000
(k) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY GENERAL'S OFFICE	\$8,859,000
(l) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY GENERAL'S OFFICE FOR THE SECOND PHASE OF THE BOLDT LITIGATION	\$158,000

NEW SECTION. Sec. 227. FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION--PROGRAM V

Regional Mobility Grant Program Account--State Appropriation	\$40,000,000
Multimodal Transportation Account--State Appropriation	\$85,205,000
Multimodal Transportation Account--Federal Appropriation	\$2,582,000
Multimodal Transportation Account--Private/Local Appropriation	\$291,000
TOTAL APPROPRIATION	\$128,078,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000,000 of the multimodal transportation account--state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation.

(a) \$5,500,000 of the amount provided in this subsection is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers shall be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) \$19,500,000 of the amount provided in this subsection is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies shall be prorated based on the amount expended for demand response service and route deviated service in calendar year 2006 as reported in the "Summary of Public Transportation - 2006" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) Funds are provided for the rural mobility grant program as follows:

(a) \$8,500,000 of the multimodal transportation account--state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the Summary of Public Transportation - 2006 published by the department of transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs.

(b) \$8,500,000 of the multimodal transportation account--state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(3) \$8,600,000 of the multimodal transportation account--state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; no operating costs for public transit agencies are eligible for funding under this grant program. No additional employees may be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. Additional criteria for selecting grants must include leveraging funds other than state funds.

(4) \$40,000,000 of the regional mobility grant program account--state appropriation is provided solely for the regional mobility grant projects identified on the LEAP Transportation Document 2007-B as developed March 27, 2007. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds available to the office of transit mobility shall be used only to fund projects on the LEAP Transportation Document 2007-B as developed March 27, 2007. The department shall provide annual status reports on December 15, 2007, and December 15, 2008, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants.

(5) \$17,168,087 of the multimodal transportation account--state appropriation is reappropriated and provided solely for the regional mobility grant projects identified on the LEAP Transportation Document 2006-D, regional mobility grant program projects as developed March 8, 2006. The department shall continue to review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. The department shall promptly close out grants when projects have been completed, and any remaining funds available to the office of transit mobility shall be used only to fund projects on the LEAP Transportation Document 2007-B as developed March 27, 2007, or the LEAP Transportation Document 2006-D as developed March 8, 2006.

(6) \$200,000 of the multimodal transportation account--state appropriation is provided solely for the department to study and then develop pilot programs aimed at addressing commute trip reduction strategies for K-12 students and for college and university students. The department shall submit to the legislature by January 1, 2009, a summary of the program results and recommendations for future student commute trip reduction strategies. The pilot programs are described as follows:

(a) The department shall consider approaches, including mobility education, to reducing and removing traffic congestion in front of schools by changing travel behavior for elementary, middle, and high school students and their parents; and

(b) The department shall design a program that includes student employment options as part of the pilot program applicable to college and university students.

(7) \$2,400,000 of the multimodal account--state appropriation is provided solely for establishing growth and transportation efficiency centers (GTEC). Funds are appropriated for one time only. The department shall provide in its annual report to the legislature an evaluation of the GTEC concept and recommendations on future funding levels.

(8) \$381,000 of the multimodal transportation account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1694 (reauthorizing the agency council on coordinated transportation). If Substitute House Bill No. 1694 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(9) \$136,000 of the multimodal transportation account--private/local appropriation is provided solely for the implementation of Senate Bill No. 5084 (updating rail transit safety plans). If Senate Bill No. 5084 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) \$60,000 of the multimodal transportation account--state appropriation is provided solely for low-income car ownership programs. The department shall collaborate with interested regional transportation planning organizations and metropolitan planning organizations to determine the effectiveness of the programs at providing transportation solutions for low-income persons who depend upon cars to travel to their places of employment.

(11) \$1,000,000 of the multimodal transportation account--state appropriation is provided solely for additional funding for the trip reduction performance program, including telework enhancement projects. Funds are appropriated for one time only.

(12) \$2,000,000 of the multimodal transportation account--state appropriation is provided solely for the tri-county connection service for Island, Skagit, and Whatcom transit agencies.

NEW SECTION. Sec. 228. FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X

Puget Sound Ferry Operations Account--State Appropriation	\$410,495,000
Multimodal Transportation Account--State Appropriation	\$1,830,000
TOTAL APPROPRIATION	\$412,325,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$79,525,000 of the total appropriation is for ferry vessel operating fuel in the 2007-2009 biennium.

(2) The Washington state ferries must work with the department's information technology division to implement an electronic fare system, including the integration of the regional fare coordination system (smart card). Each December and June, semiannual updates must be provided to the transportation committees of the legislature concerning the status of implementing and completing this project, with updates concluding the first December after full project implementation.

(3) The Washington state ferries shall continue to provide service to Sidney, British Columbia.

(4) \$1,830,000 of the multimodal transportation account--state appropriation is provided solely to provide passenger-only ferry service. The ferry system shall continue passenger-only ferry service from Vashon Island to Seattle through June 30, 2008. Ferry system management shall continue to implement its agreement with the inlandboatmen's union of the pacific and the international organization of masters, mates and pilots providing for part-time passenger-only work schedules.

(5) The department shall file an alternative compliance plan with the department of ecology, as allowed by rule, regarding the transfer of oil on or near state waters.

(6) \$1,116,000 of the Puget Sound ferry operations account--state appropriation is provided solely for ferry security operations necessary to comply with the ferry security plan submitted by the Washington state ferry system to the United States coast guard. The department shall track security costs and expenditures. Ferry security operations costs shall not be included as part of the operational costs that are used to calculate farebox recovery.

(7) \$378,000 of the Puget Sound ferry operations account--state appropriation is provided solely to meet the United States coast guard requirements for appropriate rest hours between shifts for vessel crews on the Bainbridge to Seattle and Edmonds to Kingston ferry routes.

NEW SECTION. Sec. 229. FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--OPERATING

Multimodal Transportation Account--State Appropriation \$37,036,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The department shall publish a final long-range plan for Amtrak Cascades by September 30, 2007. By December 31, 2008, the department shall submit to the office of financial management and the transportation committees of the legislature a midrange plan for Amtrak Cascades that identifies specific steps the department would propose to achieve additional service beyond current levels.

(2)(a) \$29,091,000 of the multimodal transportation account--state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining the state-supported passenger rail service. Upon completion of the rail program project in the city of Stanwood, the department shall provide daily Amtrak Cascades service to the city.

(b) The department shall negotiate with Amtrak and Burlington Northern Santa Fe to adjust the Amtrak Cascades schedule to leave Bellingham at a significantly earlier hour. When Amtrak Cascades expands the second roundtrip between Vancouver, B.C. and Seattle, the department shall negotiate for the second roundtrip to leave Bellingham southbound no later than 8:30 a.m.

(3) No Amtrak Cascade runs may be eliminated.

(4) \$40,000 of the multimodal transportation account--state appropriation is provided solely for the produce railcar program. The department is encouraged to implement the produce railcar program by maximizing private investment.

(5) The department shall begin planning for a third roundtrip Cascades train between Seattle and Vancouver, B.C. by 2010.

NEW SECTION. Sec. 230. FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--OPERATING

Motor Vehicle Account--State Appropriation \$8,641,000
 Motor Vehicle Account--Federal Appropriation \$2,567,000
 TOTAL APPROPRIATION \$11,208,000

TRANSPORTATION AGENCIES--CAPITAL

NEW SECTION. Sec. 301. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account--State Appropriation \$1,550,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$863,000 is provided solely for the following minor works projects: \$473,000 for replacement of twenty-one communication site underground fuel tanks; \$240,000 for communication site building replacements at Lind, Scoggans Mountain, and Lewiston Ridge; and \$150,000 for unforeseen emergency repairs.

(2) \$687,000 is provided solely for design and construction of regional waste water treatment systems for the Shelton Academy of the Washington state patrol.

NEW SECTION. Sec. 302. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account--State Appropriation \$64,000,000
 Motor Vehicle Account--State Appropriation \$2,368,000
 County Arterial Preservation Account--State Appropriation \$32,861,000
 TOTAL APPROPRIATION \$99,229,000

The appropriations in this section are subject to the following conditions and limitations: \$2,069,000 of the motor vehicle account--state appropriation is provided solely for county ferries, as set forth in RCW 47.56.725(4), for the following projects: Pierce county replacement ferry, \$754,000; Whatcom county replacement ferry, \$815,000; and Wahkiakum county ferry ramp reconstruction, \$500,000.

NEW SECTION. Sec. 303. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account--State Appropriation \$4,500,000
 Urban Arterial Trust Account--State Appropriation \$129,600,000
 Transportation Improvement Account--State Appropriation \$90,643,000
 TOTAL APPROPRIATION \$224,743,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The transportation improvement account--state appropriation includes up to \$7,143,000 in proceeds from the sale of bonds authorized in RCW 47.26.500.

(2) The urban arterial trust account--state appropriation includes up to \$15,000,000 in proceeds from the sale of bonds authorized in Substitute House Bill No. 2394.

NEW SECTION. Sec. 304. FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM D (DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)--CAPITAL

Motor Vehicle Account--State Appropriation \$6,202,000

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$584,000 of the motor vehicle account--state appropriation is for statewide administration.
- (2) \$750,000 of the motor vehicle account--state appropriation is for regional minor projects.
- (3) \$568,000 of the motor vehicle account--state appropriation is for the Olympic region headquarters property payments.
- (4) By September 1, 2007, the department shall submit to the transportation committees of the legislature predesign plans, developed using the office of financial management's predesign process, for all facility replacement projects to be proposed in the facilities 2008 budget proposal.
- (5) \$1,600,000 of the motor vehicle account--state appropriation is for site acquisition for the Tri-cities area maintenance facility.
- (6) \$2,700,000 of the motor vehicle account--state appropriation is for site acquisition for the Vancouver light industrial facility.
- (7) The department shall work with the office of financial management and staff of the transportation committees of the legislature to develop a statewide inventory of all department-owned surplus property that is suitable for development for department facilities or that should be sold. By December 1, 2008, the department shall report to the joint transportation committee on the findings of this study.

NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION--IMPROVEMENTS--PROGRAM I

Transportation Partnership Account--State Appropriation	\$1,073,581,000
Motor Vehicle Account--State Appropriation	\$78,727,000
Motor Vehicle Account--Federal Appropriation	\$357,023,000
Motor Vehicle Account--Private/Local Appropriation	\$41,372,000
Special Category C Account--State Appropriation	\$18,245,000
Tacoma Narrows Toll Bridge Account--State Appropriation	\$142,484,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$615,302,000
Freight Congestion Relief Account--State Appropriation	\$40,000,000
TOTAL APPROPRIATION	\$2,366,734,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2007-1, Highway Improvement Program (I) as developed March 30, 2007. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.
- (2) The motor vehicle account--state appropriation includes up to \$11,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843.
- (3) The department shall not commence construction on any part of the state route number 520 bridge replacement and HOV project until a record of decision has been reached providing reasonable assurance that project impacts will be avoided, minimized, or mitigated as much as practicable to protect against further adverse impacts on neighborhood environmental quality as a result of repairs and improvements made to the state route 520 bridge and its connecting roadways, and that any such impacts will be addressed through engineering design choices, mitigation measures, or a combination of both. The requirements of this section shall not apply to off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.
- (4) The Tacoma Narrows toll bridge account--state appropriation includes up to \$131,016,000 in proceeds from the sale of bonds authorized by RCW 47.10.843.
- (5) The department should consider using mitigation banking on appropriate projects whenever possible, without increasing the cost to projects. The department should consider using the advanced environmental mitigation revolving account (AEMRA) for corridor and watershed based mitigation opportunities, in addition to project specific mitigation. However, the department shall not use agricultural lands of long-term commercial significance, as that term is used under chapter 36.70A RCW, for mitigation banking.
- (6) The department shall apply for surface transportation program (STP) enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in Programs I and P, including, but not limited to, the SR 518, SR 519, SR 520, and Alaskan Way Viaduct projects.
- (7) \$250,000 of the motor vehicle account--state appropriation is provided solely for an inland pacific hub study to develop an inland corridor for the movement of freight and goods to and through eastern Washington; and \$500,000 of the motor vehicle account--state appropriation is provided solely for the SR3/SR16 corridor study to plan and prioritize state and local improvements needed over the next 10-20 years to support safety, capacity development, and economic development within the corridor.
- (8) The department shall, on a quarterly basis beginning July 1, 2007, provide to the office of financial management and the legislature reports providing the status on each project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account and transportation 2003 account (nickel account) projects relating to bridge rail, guard rail, fish passage barrier removal, and roadside safety projects should be reported on a programmatic basis. Projects within this programmatic level funding should be completed on a priority basis and scoped to be completed within the current programmatic budget. Other projects may be reported on a programmatic basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).
- (9) The SR 519/I-90 to SR 99 intermodal access project is anticipated to cost not more than \$74,000,000, with \$19,433,000 from the freight congestion relief account and remaining amounts funded from other state, federal, and local sources.
- (10) The department shall apply for the competitive portion of federal transit administration funds for eligible transit-related costs of the SR 520 bridge replacement and HOV project. The federal funds described in this subsection shall not include those federal transit administration funds distributed by formula.
- (11) Funding provided by this act for the Alaskan Way Viaduct project shall not be spent for preliminary engineering, design, right-of-way acquisition, or construction on the project if completion of the project would more likely than not reduce the capacity of the facility. Capacity shall be measured by including the consideration of the efficient movement of people and goods on the facility.
- (12) The governor shall convene a collaborative process involving key leaders to determine the final project design for the Alaskan Way Viaduct.

- (a) The process shall be guided by the following common principles: Public safety must be maintained; the final project shall meet both capacity and mobility needs; and taxpayer dollars must be spent responsibly.
- (b) The state's project expenditures shall not exceed \$2,800,000,000.
- (c) A final design decision shall be made by December 31, 2008.

(13) During the 2007-09 biennium, the department shall proceed with a series of projects on the Alaskan Way Viaduct that are common to any design alternative. Those projects include relocation of two electrical transmission lines, Battery Street tunnel upgrades, seismic upgrades from Lenora to the Battery Street tunnel, viaduct removal from Holgate to King Street, and development of transit enhancements and other improvements to mitigate congestion during construction.

(14) The entire freight congestion relief account--state appropriation is contingent upon the enactment during the 2007-2009 fiscal biennium of a bill, resulting from the study established in Substitute Senate Bill No. 5207, that makes available funding to support project expenditures funded from the freight congestion relief account created in Substitute Senate Bill No. 5207. If such a funding bill is not enacted by June 30, 2009, the entire freight congestion relief account--state appropriation shall lapse.

NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION--IMPROVEMENTS--PROGRAM I SPECIAL APPROPRIATIONS

Transportation Partnership Account--State Appropriation	\$489,705,000
Motor Vehicle Account--State Appropriation	\$3,437,000
Motor Vehicle Account--Federal Appropriation	\$67,203,000
Motor Vehicle Account--Private/Local Appropriation	\$5,564,000
Special Category C Account--State Appropriation	\$28,723,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$902,239,000
TOTAL APPROPRIATION	\$1,496,871,000

The entire appropriations in this section are subject to the following conditions and limitations: The total appropriation provided in this section includes funding for the total project costs, and not just for the anticipated expenditures for the 2007-09 biennium, for the projects listed below. If projects listed in this section are completed at a rate faster than anticipated, the appropriation authority provided remains available for the projects to continue without delay. However, the transfer authority provided in section 603 of this act shall not apply to the projects listed in this section.

- (1) \$27,436,000 of the transportation partnership account--state appropriation and \$2,000 of the motor vehicle account--private/local appropriation are provided solely for the I-5/172nd St NE (SR 531) Interchange project (100553N);
- (2) \$15,464,000 of the transportation partnership account--state appropriation and \$241,535,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for the I-5/SR 16 Interchange project (300567A);
- (3) \$81,303,000 of the transportation 2003 account (nickel account)--state appropriation and \$278,000 of the motor vehicle account--federal appropriation are provided solely for the I-5/Grand Mound to Maytown Stage One project (300581A);
- (4) \$37,406,000 of the transportation 2003 account (nickel account)--state appropriation is provided solely for the I-5/SR 502 Interchange project (400599R);
- (5) \$36,912,000 of the transportation partnership account--state appropriation, \$18,000 of the motor vehicle account--state appropriation, and \$1,081,000 of the motor vehicle account--federal appropriation are provided solely for the SR 9/SR 96 to Marsh Rd project (100914G);
- (6) \$82,614,000 of the transportation 2003 account (nickel account)--state appropriation, \$172,000 of the motor vehicle account--state appropriation, \$190,000 of the motor vehicle account--private/local appropriation, and \$1,192,000 of the motor vehicle account--federal appropriation are provided solely for the SR 20/Fredonia to I-5 project (102039A);
- (7) \$8,343,000 of the transportation 2003 account (nickel account)--state appropriation, \$1,991,000 of the transportation partnership account--state appropriation, and \$1,656,000 of the motor vehicle account--federal appropriation are provided solely for the I-90/Two Way Transit project (109040T). Expenditure of these funds on construction is contingent upon revising the access plan for Mercer Island traffic such that Mercer Island traffic will have access to the outer roadway high occupancy vehicle (HOV) lanes during the period of operation of such lanes following the removal of Mercer Island traffic from the center roadway and prior to conversion of the outer roadway HOV lanes to high occupancy toll (HOT) lanes. Sound transit may have access to the center lanes only when alternative R8A is complete;
- (8) \$78,450,000 of the transportation partnership account--state appropriation is provided solely for the SR 167/8th St E Vic to S 277th St project (816701C);
- (9) \$90,234,000 of the transportation 2003 account (nickel account)--state appropriation, \$28,723,000 of the special category C account--state appropriation, and \$112,000 of the motor vehicle account--private/local appropriation are provided solely for the 395/NSC-US 2 to Wandermere and US 2 Lowering project (600003A);
- (10) \$46,070,000 of the transportation 2003 account (nickel account)--state appropriation, \$52,501,000 of the transportation partnership account--state appropriation, and \$1,118,000 of the motor vehicle account--private/local appropriation are provided solely for the I-405/SR 181 to SR 167 project (840502B);
- (11) \$105,839,000 of the transportation partnership account--state appropriation and \$796,000 of the motor vehicle account--federal appropriation are provided solely for the I-405/SR 515 project (840505A);
- (12) \$143,757,000 of the transportation 2003 account (nickel account)--state appropriation and \$1,171,000 of the motor vehicle account--private/local appropriation are provided solely for the I-405/I-90 to SE 8th St project (840541F). No funds may be expended from this project for the purpose of funding improvements, construction, or the movement of a rail bridge across the cedar river;
- (13) \$22,917,000 of the transportation partnership account--state appropriation and \$5,479,000 of the motor vehicle account--federal appropriation are provided solely for the I-405/NE 10th St project (840552A);
- (14) \$90,956,000 of the transportation 2003 account (nickel account)--state appropriation and \$72,000 of the motor vehicle account--private/local appropriation are provided solely for the SR 520/W Lake Sammamish Parkway to SR 202, Stage 3 project (152040A);
- (15) \$3,134,000 of the motor vehicle account--state appropriation, \$38,350,000 of the motor vehicle account--federal appropriation, and \$2,899,000 of the motor vehicle account--private/local appropriation are provided solely for the SR 539/Horton Road to Tenmile Road project (153902B);
- (16) \$80,020,000 of the transportation 2003 account (nickel account)--state appropriation is provided solely for the SR 539/Tenmile Road to SR 546 project (153910A); and
- (17) \$148,196,000 of the transportation partnership account--state appropriation, \$109,000 of the motor vehicle account--state appropriation, and \$18,311,000 of the motor vehicle account--federal appropriation are provided solely for the SR 104/Hood Canal Bridge project (310407B).

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION--PRESERVATION--PROGRAM P

Transportation Partnership Account--State Appropriation	\$81,989,000
Motor Vehicle Account--State Appropriation	\$71,382,000
Motor Vehicle Account--Federal Appropriation	\$412,508,000
Motor Vehicle Account--Private/Local Appropriation	\$15,285,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$5,122,000
Puyallup Tribal Settlement Account--State Appropriation	\$11,000,000
TOTAL APPROPRIATION	\$597,286,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2007-1, Highway Preservation Program (P) as developed March 30, 2007. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(2) \$295,000 of the motor vehicle account--federal appropriation and \$5,000 of the motor vehicle account--state appropriation are provided solely for the department to determine the most cost efficient way to replace the current Keller ferry. Options reviewed shall not include an expansion of the current capacity of the Keller ferry.

(3) \$5,513,000 of the transportation partnership account--state appropriation is provided solely for settlement of all claims by the Lower Elwha Klallam tribe relating to the Port Angeles graving dock property, including all claims raised in *Lower Elwha Klallam Tribe et al. v. State*, Thurston county superior court cause no. 05-2-01595-8. No moneys may be expended from the amount provided in this subsection unless the Lower Elwha Klallam tribe has executed a full and unconditional release of all claims against the state.

(4) The department shall apply for surface transportation program (STP) enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in Programs I and P, including, but not limited to, the SR 518, SR 519, SR 520, and Alaskan Way Viaduct projects.

(5) The department shall, on a quarterly basis beginning July 1, 2007, provide to the office of financial management and the legislature reports providing the status on each project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account projects relating to seismic bridges should be reported on a programmatic basis. Projects within this programmatic level funding should be completed on a priority basis and scoped to be completed within the current programmatic budget. Other projects may be reported on a programmatic basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).

(6) The department of transportation shall continue to implement the lowest life cycle cost planning approach to pavement management throughout the state to encourage the most effective and efficient use of pavement preservation funds. Emphasis should be placed on increasing the number of roads addressed on time and reducing the number of roads past due.

(7) \$2,604,501 of the motor vehicle account--federal appropriation and \$3,000,000 of the motor vehicle account--state appropriation are for expenditures on damaged state roads due to flooding, mudslides, rock fall, or other unforeseen events.

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--

CAPITAL

Motor Vehicle Account--State Appropriation	\$9,212,000
Motor Vehicle Account--Federal Appropriation	\$15,951,000
Motor Vehicle Account--Private/Local Appropriation	\$74,000
TOTAL APPROPRIATION	\$25,237,000

The appropriations in this section are subject to the following conditions and limitations: The motor vehicle account--state appropriation includes \$7,700,000 provided solely for state matching funds for federally selected competitive grant or congressional earmark projects other than the commercial vehicle information systems and network. These moneys shall be placed into reserve status until such time as federal funds are secured that require a state match.

NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES

CONSTRUCTION--PROGRAM W

Puget Sound Capital Construction Account--State Appropriation	\$131,800,000
Puget Sound Capital Construction Account--Federal Appropriation	\$51,742,000
Multimodal Transportation Account--State Appropriation	\$5,600,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$76,525,000
TOTAL APPROPRIATION	\$265,667,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$938,000 of the Puget Sound capital construction account--state appropriation is provided solely for implementing Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358 as follows:

(a) The department shall allow the joint transportation committee workgroup established in section 205(1) of this act to participate in the following elements as they are described in Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358:

(i) Development and implementation of a market survey of ferry customers;

(ii) Analysis and reestablishment of vehicle level of service standards. In reestablishing the standards, consideration shall be given to whether boat wait is the appropriate measure. The level of service standard shall be reestablished in conjunction with or after the market survey has been implemented;

(iii) Development of operational strategies. The operational strategies shall be reestablished in conjunction with the market survey or after the market survey has been implemented;

(iv) Development of pricing strategies. In developing these strategies, the policy, in effect on some routes, of collecting fares in only one direction shall be evaluated to determine whether one-way fare pricing best serves the ferry system. The pricing strategies must be developed in conjunction with or after the market survey has been implemented;

(v) Development of terminal design standards. The terminal design standards shall be developed after the provisions of subsections (a)(i) through (iv) and subsection (b) of this section have been developed and reviewed by the joint transportation committee; and
(vi) Development of a capital plan. The capital plan shall be developed after terminal design standards have been developed by the department and reviewed by the joint transportation committee.

(b) The department shall develop a ridership demand forecast that shall be used in the development of a long-range capital plan. If more than one forecast is developed they must be reconciled.

(c) The department shall update the life cycle cost model to meet the requirements of Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358 no later than August 1, 2007.

(d) The department shall develop a cost allocation methodology proposal to meet the requirements described in Engrossed Substitute Senate Bill No. 6127 or Engrossed Substitute House Bill No. 2358. The proposal shall be completed and presented to the joint legislative audit and review committee and the joint transportation committee no later than August 1, 2007.

(2) \$6,432,000 of the Puget Sound capital construction account--state appropriation is provided solely for emergency capital costs.

(3) \$9,325,000 of the Puget Sound capital construction account--state appropriation is provided solely for the terminal projects listed:

(a) Anacortes ferry terminal - electrical work, upland parking, interim terminal costs, interim kitchen trailer costs, and demolition costs;

(b) Bremerton ferry terminal - move terminal agent's office and overhead loading control system;

(c) Edmonds ferry terminal - right-of-way acquisition costs and federal match requirements;

(d) Port Townsend ferry terminal - wingwall preservation costs;

(e) Kingston ferry terminal - transfer span retrofit, overhead vehicle holding control system modifications;

(f) Clinton ferry terminal - septic system replacement; and

(g) Friday Harbor ferry terminal - parking resurfacing.

(4) \$5,600,000 of the multimodal transportation account--state appropriation is provided solely for right-of-way acquisition costs and tribal mitigation and archeological work costs associated with the Mukilteo ferry terminal.

(5) \$76,525,000 of the transportation 2003 account (nickel account)--state appropriation and \$62,473,000 of the Puget Sound capital construction account--state appropriation are provided solely for the procurement of four 144-vehicle auto-passenger ferry vessels.

(6) \$18,116,000 of the Puget Sound capital construction account--state appropriation is provided solely for the Eagle Harbor maintenance facility preservation project. These funds may not be used for relocating any warehouses not currently on the Eagle Harbor site.

(7) \$80,000 of the Puget Sound capital construction account--state appropriation is provided solely to research an asset management system to improve Washington state ferries' management of capital assets and the department's ability to estimate future preservation needs. The department shall report its findings regarding a new asset management system to the governor and the transportation committees of the legislature no later than January 15, 2008.

(8) The department shall sell the M.V. Chinook and M.V. Snohomish passenger-only fast ferries as soon as practicable and deposit the proceeds of the sales into the passenger ferry account created in RCW 47.60.645. Once the department ceases to provide passenger-only ferry service, the department shall sell the M.V. Kalama and M.V. Skagit passenger-only ferries and deposit the proceeds of the sales into the passenger ferry account created in RCW 47.60.645.

(9) The department shall, on a quarterly basis beginning July 1, 2007, provide to the office of financial management and the legislature reports providing the status on each project listed in this section and in the project lists submitted pursuant to this act and on any additional projects for which the department has expended funds during the 2007-09 fiscal biennium. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection via the transportation executive information systems (TEIS).

NEW SECTION. Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--CAPITAL

Essential Rail Assistance Account--State Appropriation	\$500,000
Freight Congestion Relief Account--State Appropriation	\$25,000,000
Transportation Infrastructure Account--State Appropriation	\$14,500,000
Multimodal Transportation Account--State Appropriation	\$150,678,000
Multimodal Transportation Account--Federal Appropriation	\$30,450,000
Multimodal Transportation Account--Private/Local Appropriation	\$7,894,000
TOTAL APPROPRIATION	\$229,022,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The entire appropriations in this section are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2007-1, Rail Capital Program (Y) as developed March 30, 2007. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(b) Within the amounts provided in this section, \$14,500,000 of the transportation infrastructure account--state appropriation is for low-interest loans for rail capital projects through the freight rail investment bank program. However, until June 30, 2009, \$12,000,000 of the amount provided under this subsection (1)(b), which includes proceeds from the sale of ancillary property pursuant to subsection (5) of this section, must be made available as a no interest loan to any public entity seeking to provide operating service on a state-owned rail line where the loan proceeds are used to refurbish the rail line. With respect to the remaining \$2,500,000 of the amount provided under this subsection (1)(b), the department shall issue a call for projects based upon the legislative priorities specified in Engrossed Substitute Senate Bill No. 6120. Application must be received by the department by November 1, 2007. By December 1, 2007, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(c) Within the amounts provided in this section, \$3,335,000 of the multimodal transportation account--state appropriation is for statewide-emergent freight rail assistance projects. However, the department shall perform a cost/benefit analysis of the projects according to the legislative priorities regarding public benefits specified in Engrossed Substitute Senate Bill No. 6120, and shall give priority to the following projects: Rail - Tacoma rail yard switching upgrades (\$500,000); Rail - Port of Ephrata spur rehabilitation (\$127,000); Rail - Lewis and Clark rail improvements (\$1,100,000); Rail - Port of Grays Harbor rail access improvements (\$543,000); Rail - Port of Longview rail loop construction (\$291,000); and Rail - Port of Chehalis (\$774,000). If the relative cost of any of the six projects identified in this subsection (1)(c) is not substantially less than the public benefits to be derived from the project, then the department shall not assign the funds to the project, and instead shall use those funds toward those projects identified by the department in the attachments to the "Washington State Department of Transportation FREIGHT RAIL ASSISTANCE FUNDING PROGRAM: 2007-2009 Prioritized Project List and Program Update" dated December 2006 for which the proportion of public benefits to be gained compared to the cost of the project is greatest.

(d) Within the amounts provided in this section, \$9,000,000 of the multimodal transportation account--state appropriation is for the replacement of the rail bridge across the Cedar river.

(e) Within the amounts provided in this section, \$25,000,000 of the freight congestion relief account--state appropriation is for modifications to the Stampede Pass rail tunnel to facilitate the movement of double stacked rail cars.

(f) Within the amounts provided in this section, \$200,000 of the multimodal transportation account--state appropriation is for rescoping the Kelso to Martin's Bluff - 3rd Mainline and Storage Tracks project. The rescoped project may include funds that are committed to the project by local or private funding partners. However, the rescoped project must be capable of being completed with not more than \$49,470,000 in future state funding. Subject to this funding constraint, the rescoped project must maximize capacity improvements along the rail mainline.

(2) The multimodal transportation account--state appropriation includes up to \$137,620,000 in proceeds from the sale of bonds authorized by RCW 47.10.867.

(3) The department is directed to seek the use of unprogrammed federal rail crossing funds to be expended in lieu of or in addition to state funds for eligible costs of projects in Program Y, including, but not limited to the "Tacoma -- bypass of Pt. Defiance" project.

(4) If new federal funding for freight or passenger rail is received, the department shall consult with the transportation committees of the legislature and the office of financial management prior to spending the funds on existing or additional projects.

(5) The Palouse River and Coulee City (PCC) rail line system is made up of the CW, P&L and PV Hooper rail lines. The state has purchased the right-of-ways to the PCC rail line system. Watco will continue to operate the PV Hooper line, as required by contract. The department shall select operator(s) for the CW and P&L rail lines for the 2007 and 2008 harvest seasons through a competitive bid process, unless no bid is submitted in response to the department's request for bids. The operating agreement(s) for the CW and P&L rail lines shall not include provision for a state operating or capital subsidy. If, upon expiration of any of the operating agreements, any intergovernmental entity or local rail district expresses interest in the operating rights to the CW, P&L and PV Hooper rail lines, then the department shall give the intergovernmental entity or local rail district the right of first refusal to the long-term operating rights of the line(s), provided however that the long-term operating rights shall be available without state operating or capital subsidy. The department shall sell any ancillary property, acquired when the state purchased the right-of-ways to the PCC rail line system, to a lessee of the ancillary property who is willing to pay fair market value for the property. The department shall deposit the proceeds from the sale of ancillary property into the transportation infrastructure account for use according to the provisions of subsection (1)(b) of this section.

(6) The entire freight congestion relief account--state appropriation is contingent upon the enactment during the 2007-2009 fiscal biennium of a bill, resulting from the study established in Substitute Senate Bill No. 5207, that makes available funding to support project expenditures funded from the freight congestion relief account created in Substitute Senate Bill No. 5207. If such a funding bill is not enacted by June 30, 2009, the entire freight congestion relief account--state appropriation shall lapse.

NEW SECTION. Sec. 311. FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--CAPITAL

Highway Infrastructure Account--State Appropriation	\$207,000
Highway Infrastructure Account--Federal Appropriation	\$1,602,000
Freight Mobility Investment Account--State Appropriation	\$12,500,000
Freight Congestion Relief Account--State Appropriation	\$51,720,000
Transportation Partnership Account--State Appropriation	\$6,906,000
Motor Vehicle Account--State Appropriation	\$6,504,000
Motor Vehicle Account--Federal Appropriation	\$52,900,000
Freight Mobility Multimodal Account--State Appropriation	\$12,100,000
Multimodal Transportation Account--State Appropriation	\$27,658,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$2,706,000
Passenger Ferry Account--State Appropriation	\$8,500,000
TOTAL APPROPRIATION	\$183,303,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists incorporated in this section. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information system (TEIS).

(2) \$8,500,000 of the passenger ferry account--state appropriation is provided solely for the establishment of a ferry grant program to provide operating or capital grants for ferry systems as provided in chapters 36.54 and 36.57A RCW to operate a passenger-only ferry system.

(3) The department shall seek the use of unprogrammed federal rail crossing funds to be expended in lieu of or in addition to state funds for eligible costs of projects in local programs, program Z capital.

(4) The department shall apply for surface transportation program (STP) enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in local programs, program Z capital.

(5) Federal funds may be transferred from program Z to programs I and P and state funds shall be transferred from programs I and P to program Z to replace those federal funds in a dollar-for-dollar match. Fund transfers authorized under this subsection shall not affect project prioritization status. Appropriations shall initially be allotted as appropriated in this act. The department may not transfer funds as authorized under this subsection without approval of the office of financial management. The department shall submit a report on those projects receiving fund transfers to the office of financial management and the transportation committees of the legislature by December 1, 2007, and December 1, 2008.

(6) The city of Winthrop may utilize a design-build process for the Winthrop bike path project. Of the amount appropriated in this section for this project, \$500,000 of the multimodal transportation account-- state appropriation is contingent upon the state receiving from the city of Winthrop \$500,000 in federal funds awarded to the city of Winthrop by its local planning organization.

(7) \$7,000,000 of the multimodal transportation account--state appropriation, \$7,000,000 of the motor vehicle account--federal appropriation, and \$4,000,000 of the transportation partnership account--state appropriation are provided solely for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified in the LEAP Transportation Document 2007-A, pedestrian and bicycle safety program projects and safe routes to schools program projects as developed March 27, 2007. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department

shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award.

(8) Up to a maximum of \$5,000,000 of the multimodal transportation account--state appropriation and up to a maximum of \$2,000,000 of the motor vehicle account--federal appropriation are reappropriated for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified in the LEAP transportation document 2006-B, pedestrian and bicycle safety program projects and safe routes to schools program projects as developed March 8, 2006. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award.

(9) The entire freight congestion relief account--state appropriation is contingent upon the enactment during the 2007-2009 fiscal biennium of a bill, resulting from the study established in Substitute Senate Bill No. 5207, that makes available funding to support project expenditures funded from the freight congestion relief account created in Substitute Senate Bill No. 5207. If such a funding bill is not enacted by June 30, 2009, the entire freight congestion relief account--state appropriation shall lapse.

NEW SECTION. Sec. 312. (1) Up to \$881,646,000 in proceeds from the sale of bonds authorized in RCW 47.10.873 is available to support both of the transportation partnership account--state appropriations in sections 305 and 306 of this act.

(2) Up to \$858,724,000 in proceeds from the sale of bonds authorized by RCW 47.10.861 is available to support both of the transportation 2003 account (nickel account)--state appropriations in sections 305 and 306 of this act.

(3) Up to \$22,080,000 in proceeds from the sale of bonds authorized in Substitute House Bill No. 2394 is available to support both of the special category C account--state appropriations in sections 305 and 306 of this act. If Substitute House Bill No. 2394 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

TRANSFERS AND DISTRIBUTIONS

NEW SECTION. Sec. 401. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE

Highway Bond Retirement Account Appropriation	\$548,852,000
Ferry Bond Retirement Account Appropriation	\$38,059,000
Transportation Improvement Board Bond Retirement Account--State Appropriation	\$26,844,000
Nondebt-Limit Reimbursable Account Appropriation	\$15,477,000
Transportation Partnership Account--State Appropriation	\$6,612,000
Motor Vehicle Account--State Appropriation	\$563,000
Transportation Improvement Account--State Appropriation	\$68,000
Multimodal Transportation Account--State Appropriation	\$1,307,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$6,440,000
Urban Arterial Trust Account--State Appropriation	\$473,000
Special Category C Account Appropriation	\$278,000
TOTAL APPROPRIATION	\$644,973,000

NEW SECTION. Sec. 402. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

Transportation Partnership Account--State Appropriation	\$2,204,000
Motor Vehicle Account--State Appropriation	\$188,000
Transportation Improvement Account--State Appropriation	\$5,000
Multimodal Transportation Account--State Appropriation	\$130,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$2,147,000
Urban Arterial Trust Account--State Appropriation	\$38,000
Special Category C Account--State Appropriation	\$30,000
TOTAL APPROPRIATION	\$4,742,000

NEW SECTION. Sec. 403. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR MVFT BONDS AND TRANSFERS

(1) Motor Vehicle Account--State Reappropriation:
 For transfer to the Tacoma Narrows Toll Bridge Account \$131,016,000

The department of transportation is authorized to sell up to \$131,016,000 in bonds authorized by RCW 47.10.843 for the Tacoma Narrows bridge project. Proceeds from the sale of the bonds shall be deposited into the motor vehicle account. The department of transportation shall inform the treasurer of the amount to be deposited.

(2) Motor Vehicle Account--State Appropriation:
 For transfer to the Puget Sound Capital Construction Account \$75,000,000

The department of transportation is authorized to sell up to \$75,000,000 in bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead-time materials acquisition for the Washington state ferries.

NEW SECTION. Sec. 404. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account Appropriation for motor vehicle fuel tax distributions to cities and counties \$526,320,000

NEW SECTION. Sec. 405. FOR THE STATE TREASURER--TRANSFERS

Motor Vehicle Account--State Appropriation: For motor vehicle fuel tax refunds and statutory transfers \$937,181,000

NEW SECTION. Sec. 406. FOR THE DEPARTMENT OF LICENSING--TRANSFERS

Motor Vehicle Account--State Appropriation: For motor vehicle fuel tax refunds and transfers \$346,657,000

NEW SECTION. Sec. 407. FOR THE STATE TREASURER--ADMINISTRATIVE TRANSFERS

(1) Recreational Vehicle Account--State Appropriation: For transfer to the Motor Vehicle Account--State \$3,005,000
 (2) License Plate Technology Account--State Appropriation: For the Highway Safety Account--State \$4,500,000
 (3) Motor Vehicle Account--State Appropriation:
 For transfer to the High-Occupancy Toll Lanes Operations--State Account \$3,000,000
 (4) Motor Vehicle Account--State Appropriation:
 For transfer to the Puget Sound Capital Construction Account--State \$30,000,000
 (5) Multimodal Transportation Account--State Appropriation:
 For transfer to the Puget Sound Ferry Operations Account--State \$35,000,000
 (6) Advanced Right-of-Way Revolving Account--State Appropriation:
 For transfer to the Motor Vehicle Account--State \$30,000,000
 (7) Waste Tire Removal Account--State Appropriation:
 For transfer to the Motor Vehicle Account--State \$5,600,000
 (8) Motor Vehicle Account--State Appropriation:
 For transfer to the Transportation Partnership Account--State \$28,000,000
 (9) Multimodal Transportation Account--State Appropriation: For transfer to the Puget Sound Capital
 Construction Account--State \$7,000,000

The transfers identified in this section are subject to the following conditions and limitations: The amount transferred in subsection (3) of this section may be spent only on "highway purposes" as that term is construed in Article II, section 40 of the Washington state Constitution.

NEW SECTION. Sec. 408. STATUTORY APPROPRIATIONS. In addition to the amounts appropriated in this act for revenue for distribution, state contributions to the law enforcement officers' and firefighters' retirement system, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under any proper bond covenant made under law.

NEW SECTION. Sec. 409. The department of transportation is authorized to undertake federal advance construction projects under the provisions of 23 U.S.C. Sec. 115 in order to maintain progress in meeting approved highway construction and preservation objectives. The legislature recognizes that the use of state funds may be required to temporarily fund expenditures of the federal appropriations for the highway construction and preservation programs for federal advance construction projects prior to conversion to federal funding.

COMPENSATION

NEW SECTION. Sec. 501. COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS. The appropriations for state agencies, are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed \$732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall be \$184.26 per month.

NEW SECTION. Sec. 502. COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS. The appropriations for state agencies, are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, for represented employees outside the super coalition under chapter 41.80 RCW, shall not exceed \$707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed \$732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall be \$184.26 per month.

NEW SECTION. Sec. 503. COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION. Collective bargaining agreements negotiated as part of the super coalition under chapter 41.80 RCW include employer contributions to health insurance premiums

at 88% of the cost. Funding rates at this level are currently \$707 per month for fiscal year 2008 and \$732 per month for fiscal year 2009. The agreements also include a one-time payment of \$756 for each employee who is eligible for insurance for the month of June, 2007, and is covered by a 2007-2009 collective bargaining agreement pursuant to chapter 41.80 RCW, as well as continuation of the salary increases that were negotiated for the twelve-month period beginning July 1, 2006, and scheduled to terminate June 30, 2007.

NEW SECTION. Sec. 504. COMPENSATION--PENSION CONTRIBUTIONS. The appropriations for state agencies, including institutions of higher education are subject to the following conditions and limitations: Appropriations are provided to fund employer contributions to state pension funds at the rates adopted by the pension funding council.

NEW SECTION. Sec. 505. COMPENSATION--REVISE PENSION GAIN SHARING. The appropriations for (schools) state agencies, including institutions of higher education are subject to the following conditions and limitations: Appropriations are adjusted to reflect changes to pension gain sharing as provided in House Bill No. 2391.

NEW SECTION. Sec. 506. NONREPRESENTED EMPLOYEE COMPENSATION. The appropriations for nonrepresented employee compensation adjustments are provided solely for:

(1) Across the Board Adjustments.

(a) Appropriations are provided for a 3.2% salary increase effective July 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapter 41.80 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

The appropriations are also sufficient to fund a 3.2% salary increase effective July 1, 2007, and for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(b) Appropriations are provided for a 2.0% salary increase effective July 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapter 41.80 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to fund a 2.0% salary increase effective July 1, 2008, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(2) Salary Survey.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's 2006 salary survey, for job classes more than 25% below market rates and affected classes.

(3) Classification Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's phase 4 job class consolidation and revisions under the personnel system reform act of 2002.

(4) Agency Request Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's agency request job class consolidation and reclassification plan.

(5) Additional Pay Step.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for a new pay step L for those who have been in step K for at least one year.

(6) Retain Fiscal Year 2007 Pay Increase.

For all classified state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, funding is provided for continuation of the 1.6% salary increase that was provided during fiscal year 2007. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to continue a 1.6% salary increase for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

NEW SECTION. Sec. 507. COLLECTIVE BARGAINING AGREEMENTS. Provisions of the collective bargaining agreements contained in sections 508 through 519 of this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in sections 506 through 516 may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

NEW SECTION. Sec. 508. COLLECTIVE BARGAINING AGREEMENT--IBU. Appropriations in this act contain funding for the collective bargaining agreement reached between the governor and the inlandboatmen's union of the pacific under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and increases ranging from 1.5% to 4% to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 509. COLLECTIVE BARGAINING AGREEMENT--MEBA-LICENSED. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the marine engineers' beneficial association under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and increases ranging from 1% to 6% to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 510. COLLECTIVE BARGAINING AGREEMENT--MEBA-UNLICENSED. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the marine engineers' beneficial association under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, and a 2% salary increase effective July 1, 2008.

NEW SECTION. Sec. 511. COLLECTIVE BARGAINING AGREEMENT--MM&P. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international organization of master, mates & pilots, local 6, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and increases ranging from 2.5% to 7.5% to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 512. COLLECTIVE BARGAINING AGREEMENT--MM&P-WATCH SUPERVISORS. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international organization of master, mates & pilots, watch supervisors, local 6, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a 3% increase to address this specific classification which is below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 513. COLLECTIVE BARGAINING AGREEMENT--METAL TRADES COUNCIL. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Puget Sound metal trades council under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a \$0.95/hour salary adjustment to all classifications which are below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 514. COLLECTIVE BARGAINING AGREEMENT--FASPAA. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the ferry agents, supervisors, & project administrators association under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a 10% increase to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 515. COLLECTIVE BARGAINING AGREEMENT--OPEIU. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the office & professional employees international union, local 8, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a one salary range (5%) increase to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 516. COLLECTIVE BARGAINING AGREEMENT--SEIU. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employees international union, local 6, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a 5% increase to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

NEW SECTION. Sec. 517. COLLECTIVE BARGAINING AGREEMENT--WSP TROOPERS ASSOCIATION. Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol trooper's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0% salary increase effective July 1, 2007, and a 4.0% salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

NEW SECTION. Sec. 518. COLLECTIVE BARGAINING AGREEMENT--WSP LIEUTENANTS ASSOCIATION. Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol lieutenant's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0% salary increase effective July 1, 2007, and a 4.0% salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

NEW SECTION. Sec. 519. COLLECTIVE BARGAINING AGREEMENT--IFPTE. Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international federation of professional and technical engineers under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, and a 2% salary increase effective July 1, 2008. Select classifications will receive wage increases due to the implementation of the department of personnel's 2006 salary survey for classes more than 25% below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

IMPLEMENTING PROVISIONS

NEW SECTION. Sec. 601. Executive Order number 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies and higher education institutions that issue grants or loans for capital projects shall comply with the requirements set forth in this executive order.

NEW SECTION. Sec. 602. INFORMATION SYSTEMS PROJECTS. Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information

technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

- (a) System refurbishment, acquisitions, and development efforts;
- (b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
- (c) Assessment of overall information processing performance, resources, and capabilities;
- (d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
- (e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance responsibilities, and a statement of reporting requirements. The quality assurance plans shall set out the functionality requirements for each phase of a project.

(7) A copy of each feasibility study, project management plan, and quality assurance plan shall be provided to the department of information services, the office of financial management, and legislative fiscal committees. The plans and studies shall demonstrate a sound business case that justifies the investment of taxpayer funds on any new project, an assessment of the impact of the proposed system on the existing information technology infrastructure, the disciplined use of preventative measures to mitigate risk, and the leveraging of private-sector expertise as needed. Authority to expend any funds for individual information systems projects is conditioned on the approval of the relevant feasibility study, project management plan, and quality assurance plan by the department of information services and the office of financial management.

(8) Quality assurance status reports shall be submitted to the department of information services, the office of financial management, and legislative fiscal committees at intervals specified in the project's quality assurance plan.

NEW SECTION. Sec. 603. FUND TRANSFERS. (1) The transportation 2003 projects or improvements and the 2005 transportation partnership projects or improvements are listed in LEAP Transportation Document 2007-1, which consists of a list of specific projects by fund source and amount over a sixteen year period. Current biennium funding for each project is a line item appropriation, while the outer year funding allocations represent a sixteen year balanced plan. Unless otherwise provided in this act, the director of financial management may authorize a transfer of spending allocation within the appropriation provided and between projects funded with transportation 2003 account (nickel account) appropriations, transportation partnership account appropriations, or multimodal transportation account appropriations, in order to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project, nor shall a transfer be made to support increases in the scope of a project;

(c) Each transfer between projects may only occur if the director of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature;

(d) Transfers to a project may be made without an offsetting project reduction if the office of financial management finds there is sufficient appropriation authority to accommodate the allocation increase;

(e) Transfers of less than \$500,000 may be made by the department without approval from the office of financial management;

(f) Transfers may not occur to projects not identified on the applicable project list; and

(g) Transfers may not be made while the legislature is in session.

(2) At the time the department submits a request to transfer funds under this section a copy of the request shall be submitted to the transportation committees of the legislature. The request must include how the fund transfer requests will be accommodated in a balanced financial plan, consistent with legislative intent. A report of all approved transfers made under this section shall be submitted on October 1st of each fiscal year to the transportation committees of the legislature.

(3) The office of financial management shall work with legislative staff of the house of representatives and senate transportation committees and the legislative evaluation and accountability program committee to review the requested transfers.

(4) The office of financial management shall document approved transfers and/or schedule changes in the transportation executive information system (TEIS), compare changes to the last legislative session, and transmit revised project lists to chairs of the transportation committees of the legislature on a quarterly basis.

NEW SECTION. Sec. 604. MEGA-PROJECT REPORTING. Mega-projects are defined as individual or groups of related projects that cost \$1,000,000,000 or more. These projects include, but are not limited to: Alaskan Way Viaduct, SR 520, SR 167, I-405, North Spokane corridor, I-5 Tacoma HOV, and the Columbia River Crossing. The office of financial management shall track mega-projects and report the financial status and schedule of these projects at least once a year to the transportation committees of the legislature.

NEW SECTION. Sec. 605. Based on the anticipated outcomes of the tolling study, to be conducted under section 206 of this act, the legislature intends that tolls be charged to offset or partially offset the costs for the following projects, and that a managed lane concept be applied in their design and implementation: State Route 520 Bridge replacement and HOV project, and widening of Interstate 405.

MISCELLANEOUS 2007-09 BIENNIUM

Sec. 701. RCW 46.68.170 and 1996 c 237 s 2 are each amended to read as follows:

There is hereby created in the motor vehicle fund the RV account. All moneys hereafter deposited in said account shall be used by the department of transportation for the construction, maintenance, and operation of recreational vehicle sanitary disposal systems at safety rest areas in accordance with the department's highway system plan as prescribed in chapter 47.06 RCW. During the 2005-2007 and 2007-2009 fiscal biennia, the legislature may transfer from the RV account to the motor vehicle fund such amounts as reflect the excess fund balance of the RV account.

Sec. 702. RCW 47.29.170 and 2006 c 370 s 604 are each amended to read as follows:

Before accepting any unsolicited project proposals, the commission must adopt rules to facilitate the acceptance, review, evaluation, and selection of unsolicited project proposals. These rules must include the following:

- (1) Provisions that specify unsolicited proposals must meet predetermined criteria;
- (2) Provisions governing procedures for the cessation of negotiations and consideration;
- (3) Provisions outlining that unsolicited proposals are subject to a two-step process that begins with concept proposals and would only advance to the second step, which are fully detailed proposals, if the commission so directed;
- (4) Provisions that require concept proposals to include at least the following information: Proposers' qualifications and experience; description of the proposed project and impact; proposed project financing; and known public benefits and opposition; and
- (5) Provisions that specify the process to be followed if the commission is interested in the concept proposal, which must include provisions:
 - (a) Requiring that information regarding the potential project would be published for a period of not less than thirty days, during which time entities could express interest in submitting a proposal;
 - (b) Specifying that if letters of interest were received during the thirty days, then an additional sixty days for submission of the fully detailed proposal would be allowed; and
 - (c) Procedures for what will happen if there are insufficient proposals submitted or if there are no letters of interest submitted in the appropriate time frame.

The commission may adopt other rules as necessary to avoid conflicts with existing laws, statutes, or contractual obligations of the state.

The commission may not accept or consider any unsolicited proposals before (~~June 30, 2007~~) July 1, 2009.

NEW SECTION. Sec. 703. To the extent that any appropriation authorizes expenditures of state funds from the motor vehicle account, special category C account, Tacoma Narrows toll bridge account, transportation 2003 account (nickel account), transportation partnership account, transportation improvement account, Puget Sound capital construction account, multimodal transportation account, or other transportation capital project account in the state treasury for a state transportation program that is specified to be funded with proceeds from the sale of bonds authorized in chapter 47.10 RCW, the legislature declares that any such expenditures made prior to the issue date of the applicable transportation bonds for that state transportation program are intended to be reimbursed from proceeds of those transportation bonds in a maximum amount equal to the amount of such appropriation.

Sec. 704. RCW 46.16.685 and 2003 c 370 s 4 are each amended to read as follows:

The license plate technology account is created in the state treasury. All receipts collected under RCW 46.01.140(4)(e)(ii) must be deposited into this account. Expenditures from this account must support current and future license plate technology and systems integration upgrades for both the department and correctional industries. Moneys in the account may be spent only after appropriation. Additionally, the moneys in this account may be used to reimburse the motor vehicle account for any appropriation made to implement the digital license plate system. During the 2007-2009 fiscal biennium, the legislature may transfer from the license plate technology account to the highway safety fund such amounts as reflect the excess fund balance of the license plate technology account.

Sec. 705. RCW 47.01.390 and 2006 c 311 s 27 are each amended to read as follows:

(1) Prior to commencing construction on either project, the department of transportation must complete all of the following requirements for both the Alaskan Way viaduct and Seattle Seawall replacement project, and the state route number 520 bridge replacement and HOV project: (a) In accordance with the national environmental policy act, the department must designate the preferred alternative, prepare a substantial project mitigation plan, and complete a comprehensive cost estimate review using the department's cost estimate validation process, for each project; (b) in accordance with all applicable federal highway administration planning and project management requirements, the department must prepare a project finance plan for each project that clearly identifies secured and anticipated fund sources, cash flow timing requirements, and project staging and phasing plans if applicable; and (c) the department must report these results for each project to the joint transportation committee.

(2) The requirements of this section shall not apply to (a) utility relocation work, and related activities, on the Alaskan Way viaduct and Seattle Seawall replacement project and (b) off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.

(3) The requirements of subsection (1) of this section shall not apply during the 2007-2009 fiscal biennium.

Sec. 706. RCW 88.16.090 and 2005 c 26 s 2 are each amended to read as follows:

(1) A person may pilot any vessel subject to this chapter on waters covered by this chapter only if licensed to pilot such vessels on such waters under this chapter.

(2)(a) A person is eligible to be licensed as a pilot if the person:

- (i) Is a citizen of the United States;
- (ii) Is over the age of twenty-five years and under the age of seventy years;
- (iii) Is a resident of the state of Washington at the time of licensure as a pilot;
- (iv)(A) Holds at the time of application, as a minimum, a United States government license as master of steam or motor vessels of not more than one thousand six hundred gross register tons (three thousand international tonnage convention tons) upon oceans, near coastal waters, or

inland waters; or the then most equivalent federal license as determined by the board; any such license to have been held by the applicant for a period of at least two years before application;

(B) Holds at the time of licensure as a pilot, after successful completion of the board-required training program, a first class United States endorsement without restrictions on the United States government license for the pilotage district in which the pilot applicant desires to be licensed; however, all applicants for a pilot examination scheduled to be given before July 1, 2008, must have the United States pilotage endorsement at the time of application; and

(C) The board may establish such other federal license requirements for applicants and pilots as it deems appropriate; and

(v) Successfully completes a board-specified training program.

(b) In addition to the requirements of (a) of this subsection, a pilot applicant must meet such other qualifications as may be required by the board.

(c) A person applying for a license under this section shall not have been convicted of an offense involving drugs or the personal consumption of alcohol in the twelve months prior to the date of application. This restriction does not apply to license renewals under this section.

(3) The board may establish such other training license and pilot license requirements as it deems appropriate.

(4) Pilot applicants shall be evaluated and ranked in a manner specified by the board based on their experience, other qualifications as may be set by the board, performance on a written examination or examinations established by the board, and performance in such other evaluation exercises as may be required by the board, for entry into a board-specified training program.

When the board determines that the demand for pilots requires entry of an applicant into the training program it shall issue a training license to that applicant, but under no circumstances may an applicant be issued a training license more than four years after taking the written entry examination. The training license authorizes the trainee to do such actions as are specified in the training program.

After the completion of the training program the board shall evaluate the trainee's performance and knowledge. The board, as it deems appropriate, may then issue a pilot license, delay the issuance of the pilot license, deny the issuance of the pilot license, or require further training and evaluation.

(5) The board may appoint a special independent committee or may contract with a firm knowledgeable and experienced in the development of professional tests and evaluations for development and grading of the examinations and other evaluation methods. Active licensed state pilots may be consulted for the general development of any examinations and evaluation exercises but shall have no knowledge of the specific questions. The pilot members of the board may participate in the grading of examinations. If the board does appoint a special examination or evaluation development committee it is authorized to pay the members of the committee the same compensation and travel expenses as received by members of the board. Any person who willfully gives advance knowledge of information contained on a pilot examination or other evaluation exercise is guilty of a gross misdemeanor.

(6) Pilots are licensed under this section for a term of five years from and after the date of the issuance of their respective state licenses. Licenses must thereafter be renewed as a matter of course, unless the board withholds the license for good cause. Each pilot shall pay to the state treasurer an annual license fee ~~(of three thousand dollars)~~ in an amount set by the board by rule. The fees established under this subsection may be increased in excess of the fiscal growth factor as provided in RCW 43.135.055 through the fiscal year ending June 30, 2009. The fees must be deposited in the state treasury to the credit of the pilotage account. The board may assess partially active or inactive pilots a reduced fee.

(7) All pilots and applicants are subject to an annual physical examination by a physician chosen by the board. The physician shall examine the applicant's heart, blood pressure, circulatory system, lungs and respiratory system, eyesight, hearing, and such other items as may be prescribed by the board. After consultation with a physician and the United States coast guard, the board shall establish minimum health standards to ensure that pilots licensed by the state are able to perform their duties. Within ninety days of the date of each annual physical examination, and after review of the physician's report, the board shall make a determination of whether the pilot or applicant is fully able to carry out the duties of a pilot under this chapter. The board may in its discretion check with the appropriate authority for any convictions of offenses involving drugs or the personal consumption of alcohol in the prior twelve months.

(8) The board may require vessel simulator training for a pilot applicant and shall require vessel simulator training for a licensed pilot subject to RCW 88.16.105. The board shall also require vessel simulator training in the first year of active duty for a new pilot and at least once every five years for all active pilots.

(9) The board shall prescribe, pursuant to chapter 34.05 RCW, such reporting requirements and review procedures as may be necessary to assure the accuracy and validity of license and service claims. Willful misrepresentation of such required information by a pilot applicant shall result in disqualification of the pilot applicant.

Sec. 707. RCW 47.12.244 and 1991 c 291 s 2 are each amended to read as follows:

There is created the "advance right of way revolving fund" in the custody of the treasurer, into which the department is authorized to deposit directly and expend without appropriation:

(1) An initial deposit of ten million dollars from the motor vehicle fund included in the department of transportation's 1991-93 budget;

(2) All moneys received by the department as rental income from real properties that are not subject to federal aid reimbursement, except moneys received from rental of capital facilities properties as defined in chapter 47.13 RCW; and

(3) Any federal moneys available for acquisition of right of way for future construction under the provisions of section 108 of Title 23, United States Code.

(4) During the 2007-09 fiscal biennium, the legislature may transfer from the advance right of way revolving fund to the motor vehicle account amounts as reflect the excess fund balance of the advance right of way revolving fund.

Sec. 708. RCW 70.95.521 and 2005 c 354 s 3 are each amended to read as follows:

The waste tire removal account is created in the state treasury. All receipts from tire fees imposed under RCW 70.95.510 must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used for the cleanup of unauthorized waste tire piles and measures that prevent future accumulation of unauthorized waste tire piles. During the 2007-2009 fiscal biennium, the legislature may transfer from the waste tire removal account to the motor vehicle fund such amounts as reflect the excess fund balance of the waste tire removal account.

NEW SECTION. Sec. 709. The department of transportation, in conjunction with the office of financial management, must implement the governmental accounting standards board's (GASB) statement number 34 including a complete inventory and valuation of the state's highway system. The financial reporting value of the state's highway system must be adjusted for any new additions to the system. The biennial reporting of the condition of the system must be related to the funding levels of maintaining the system. The department must maintain a current inventory of the state's highway system and estimate the actual cost to maintain and preserve the assets. In addition to the GASB statement 34,

the department of transportation with the office of financial management's assistance must establish an asset replacement value for the entire state's highway system. During 2007, the speaker of the house of representatives must select one member from each caucus to work with the office of financial management and the department of transportation. The purpose of this effort is to enhance decision making that will result in strategic long-term investment decisions in transportation capital project management and asset preservation. The office of financial management will coordinate and manage the inventory and the valuation. The office of financial management must submit a final report to the legislative transportation committees on or before December 1, 2008.

**2005-07 BIENNIUM
TRANSPORTATION AGENCIES--OPERATING**

Sec. 801. 2006 c 53 s 2 (uncodified) is amended to read as follows:

FOR THE BOARD OF PILOTAGE COMMISSIONERS

Pilotage Account--State Appropriation	((\$1,017,000))
	<u>\$1,317,000</u>

((The appropriation in this section is subject to the following conditions and limitations: \$500,000 of the appropriation is provided solely for stipends to trainees in the training program as set forth in rules adopted by the board.))

NEW SECTION. Sec. 802. A new section is added to 2005 c 313 (uncodified) to read as follows:

FOR THE DEPARTMENT OF LICENSING. The appropriations to the department of licensing in chapter 370, Laws of 2006 shall be expended for the programs and in the amounts specified herein. However, after May 1, 2007, unless specifically prohibited, the department may transfer motor vehicle account--state appropriations for the 2005-2007 fiscal biennium, highway safety account--state appropriations for the 2005-2007 fiscal biennium, and department of licensing services account--state appropriations for the 2005-2007 fiscal biennium between programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing prior to approving any allotment modifications or transfers under this section.

NEW SECTION. Sec. 803. A new section is added to 2005 c 313 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION. (1) The appropriations to the department of transportation in this act shall be expended for the programs and in the amounts specified in this act. However, in order to meet extraordinary expenses in snow and ice removal, after May 1, 2007, unless specifically prohibited by this act, the department may transfer state appropriations among operating programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose.

(2) The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds and not federal funds. The director of financial management shall notify the appropriate transportation committees of the legislature in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by program and appropriation, both before and after any allotment modifications or transfers.

Sec. 804. 2006 c 370 s 205 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account--State Appropriation	\$1,679,000
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The appropriation in this section is subject to the following conditions and limitations:

(1)(a) \$200,000 of the total appropriation is provided solely for the joint transportation committee to conduct a finance study of the Washington state ferry system. The purpose of the study is to facilitate policy discussions and decisions by members of the legislature regarding the Washington state ferry system. The legislature recognizes there is a need within the Washington state ferry system for predictable cash flows, transparency, assessment of organizational structure, verification that the Washington state ferry system is operating at maximum efficiency, and better labor relations. The committee shall report the study to the house of representatives and senate transportation committees by January 1, 2007.

(b) The study must include, at a minimum, a review and evaluation of the ferry system's financial plan, including current assumptions and past studies, in the following areas:

(i) Operating program, including ridership, revenue, and cost forecasts and the accuracy of those forecasts; and

(ii) Capital program, including project scoping, prioritization and cost estimating, project changes including legislative input regarding significant project changes, and performance measures.

(c) In addition to committee members, or their designees, the governor shall appoint a representative for this study. The committee may retain consulting services to assist the committee in conducting the study, including the evaluation of financial, operating, and capital plans. The committee may also appoint other persons to assist with the study.

(2) The joint transportation committee shall conduct a study regarding the feasibility of a statewide uniform motor vehicle excise tax (MVET) depreciation schedule. In addition to committee members, the participants in the study must include at a minimum the following individuals: (a) A representative of a regional transit authority (Sound Transit); (b) a representative of a regional transportation planning organization; (c) the secretary of transportation, or his or her designee; (d) a representative of the attorney general's office; (e) a representative of the department of licensing; and (f) a representative of the financial community. The purpose of the study is to develop an MVET depreciation schedule that more accurately reflects vehicle value but does not hinder outstanding contractual obligations.

(3) Funds provided in this section are sufficient for the committee to administer a study of the most reliable and cost-effective means of providing passenger-only ferry service.

(a) The study shall be guided by a 18 member task force consisting of the chairs and ranking members of the house of representatives and senate transportation committees, a designee of the director of the office of financial management, a member of the transportation commission, a designee of the secretary of transportation, a representative of organized labor, and ten stakeholders to be appointed by the governor as follows: Six representatives of ferry user communities, two representatives of public transportation agencies, and two representatives of commercial ferry operators.

(b) The study shall examine issues including but not limited to the long-term viability of different service providers, cost to ferry passengers, the state subsidies required by each provider, and the availability of federal funding for the different service providers.

(c) By November 30, 2005, the task force shall make its recommendations to the house of representatives and senate transportation committees.

~~(4) ((\$450,000 of the motor vehicle account--state appropriation is provided solely to administer a consultant study of the long-term viability of the state's transportation financing methods and sources.~~

~~(a) At a minimum, the study must examine the following: (i) The short and long-term viability of the motor fuel tax (both state and federal) as a major source of funding for transportation projects and programs; (ii) the desirability and effectiveness of state-distributed transportation funds for the benefit of local units of government; (iii) the potential for alternative and/or emerging sources of transportation revenues, with particular emphasis on user-based fees and charges; and (iv) trends and implications of debt financing for transportation projects. The scope of work for the study may be expanded to include analysis of other financing issues relevant to the long-term viability of the state's transportation system.~~

~~(b) The findings and recommendations must be submitted to the fiscal committees of the legislature by November 1, 2006.~~

~~((5)) \$75,000 of the motor vehicle account--state appropriation is provided solely for the joint transportation committee to contract for a review of existing research on programs and policies which decrease accidents by teenage drivers, including but not limited to publicly operated driver education and intermediate drivers licensing programs. The institute shall also evaluate the costs and benefits of programs and policies showing the greatest positive impact on teenage driving safety.~~

~~((6)) (5) The committee shall conduct an evaluation of the department of transportation surface transportation program enhancement grant program. The evaluation will include (a) information about the categories of projects submitted for consideration; (b) a review of the allocation of funds awarded across the categories of STP enhancement eligible activities; (c) a review of the criteria used to score projects; and (d) a finding by the committee whether certain categories of projects are disproportionately funded or unfunded.~~

Sec. 805. 2006 c 370 s 208 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL--FIELD OPERATIONS BUREAU

State Patrol Highway Account--State Appropriation	((\$201,063,000))
	<u>\$197,234,000</u>
State Patrol Highway Account--Federal Appropriation	\$10,544,000
State Patrol Highway Account--Private/Local Appropriation	\$169,000
TOTAL APPROPRIATION	\$(211,776,000)
	<u>\$207,947,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol shall be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol. The patrol shall report to the house of representatives and senate transportation committees by December 31, 2005, on the use of agency vehicles by officers engaging in the off-duty employment specified in this subsection. The report shall include an analysis that compares cost reimbursement and cost-impacts, including increased vehicle mileage, maintenance costs, and indirect impacts, associated with the private use of patrol vehicles.

(2) In addition to the user fees, the patrol shall transfer into the state patrol nonappropriated airplane revolving account under RCW 43.79.470 no more than the amount of appropriated state patrol highway account and general fund funding necessary to cover the costs for the patrol's use of the aircraft. The state patrol highway account and general fund--state funds shall be transferred proportionately in accordance with a cost allocation that differentiates between highway traffic enforcement services and general policing purposes.

(3) The patrol shall not account for or record locally provided DUI cost reimbursement payments as expenditure credits to the state patrol highway account. The patrol shall report the amount of expected locally provided DUI cost reimbursements to the transportation committees of the senate and house of representatives by December 31st of each year.

(4) The state patrol highway account--state appropriation for DUI reimbursements shall only be spent for pursuit vehicle video cameras, datamaster DUI testing equipment, tire deflator equipment, and taser guns. The Washington state patrol prior to the issuance of any taser guns will train the troopers on using the equipment. The agency will provide a report to the transportation committees of the senate and house of representatives by December 31st of each year on the occurrences where the taser guns were utilized along with any issues that have been identified.

(5) \$29,000 of the state patrol highway account--state appropriation is provided solely for the implementation of House Bill No. 1469. If House Bill No. 1469 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6) \$5,580,000 of the total appropriation is provided solely for a 3.8% salary increase for commissioned officers effective July 1, 2005, in addition to any other salary increases provided for in this act.

(7) The Washington state patrol is authorized to use certificates of participation to fund the King Air aircraft replacement over a term of not more than ten years and an amount not to exceed \$1,900,000.

(8)(a) \$834,000 of the state patrol highway account--state appropriation is provided solely for the collective bargaining agreement reached between the governor and the Washington state patrol troopers association under chapter 438, Laws of 2005. For commissioned troopers and sergeants covered under this section, funding is provided for a 2.6% salary increase effective July 1, 2006. This increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Provisions of the collective bargaining agreement contained in this subsection are described in general terms. Only major economic terms are included in this description. This description does not contain the complete contents of the agreement. Due to the timing challenges in negotiating the initial collective bargaining agreement under chapter 438, Laws of 2005, this agreement was not concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

(b) \$62,000 of the state patrol highway account--state appropriation is provided solely for salary increases for commissioned captains and lieutenants covered under this section, if a new collective bargaining agreement is reached between the governor and the Washington state patrol lieutenants association by July 1, 2006. The amount provided in this subsection is contingent on an agreement being reached by July 1, 2006, and shall be held in reserve status until the agreement is reached. If an agreement is not reached by July 1, 2006, the amount provided in this subsection shall lapse. If an agreement is reached by July 1, 2006, the increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Due to the timing challenges in negotiating a collective bargaining agreement funded under this subsection,

the agreement will not have been concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

(9) The Washington state patrol, in consultation with the department of licensing, local law enforcement agencies, and other appropriate organizations, shall study the options for implementing an inspection program for tow truck operators that are not licensed as registered tow truck operators. This study shall also evaluate prospective sources of funding and the amount of funding necessary for the program. The Washington state patrol shall report to the transportation committees of the legislature by December 1, 2006, on the options, strategies, and recommendations for implementing an inspection program for tow truck operators that are not licensed as registered tow truck operators.

(10) \$2,040,000 of the state patrol highway account--state appropriation is provided solely for eighteen additional commissioned officers in the vessel and terminal security division.

(11) The office of financial management shall conduct a review of the state patrol highway account and report its findings to the legislature by January 1, 2007.

Sec. 806. 2006 c 370 s 209 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL--INVESTIGATIVE SERVICES BUREAU

State Patrol Highway Account--State Appropriation	((\$1,358,000))
	<u>\$778,000</u>

Sec. 807. 2006 c 370 s 210 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL--TECHNICAL SERVICES BUREAU

State Patrol Highway Account--State Appropriation	((\$91,359,000))
	<u>\$91,742,000</u>
State Patrol Highway Account--Private/Local Appropriation	<u>\$2,008,000</u>
TOTAL APPROPRIATION	((\$93,367,000))
	<u>\$93,750,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$247,000 of the state patrol highway account--state appropriation is provided solely for the implementation of Second Substitute House Bill No. 1188. If Second Substitute House Bill No. 1188 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(2) The Washington state patrol is instructed to work with the risk management division in the office of financial management in compiling the state patrol data for establishing the agency's risk management insurance premiums to the tort claims account. The office of financial management and the Washington state patrol shall submit a report to the transportation committees of the senate and house of representatives by December 31st of each year on the number of claims, estimated claims to be paid, method of calculation, and the adjustment in the premium.

(3) \$8,678,000 of the total appropriation is provided solely for the purchase of pursuit vehicles.

(4) \$5,254,000 of the total appropriation is provided solely for vehicle repair and maintenance costs of vehicles used for highway purposes.

(5) \$384,000 of the total appropriation is provided solely for the purchase of mission vehicles used for highway purposes in the commercial vehicle and traffic investigation sections of the patrol.

(6)(a) \$28,000 of the state patrol highway account--state appropriation is provided solely for the collective bargaining agreement reached between the governor and the Washington state patrol troopers association under chapter 438, Laws of 2005. For commissioned troopers and sergeants covered under this section, funding is provided for a 2.6% salary increase effective July 1, 2006. This increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Provisions of the collective bargaining agreement contained in this subsection are described in general terms. Only major economic terms are included in this description. This description does not contain the complete contents of the agreement. Due to the timing challenges in negotiating the initial collective bargaining agreement under chapter 438, Laws of 2005, this agreement was not concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

(b) \$2,000 of the state patrol highway account--state appropriation is provided solely for salary increases for commissioned captains and lieutenants covered under this section, if a new collective bargaining agreement is reached between the governor and the Washington state patrol lieutenants association by July 1, 2006. The amount provided in this subsection is contingent on an agreement being reached by July 1, 2006, and shall be held in reserve status until the agreement is reached. If an agreement is not reached by July 1, 2006, the amount provided in this subsection shall lapse. If an agreement is reached by July 1, 2006, the increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Due to the timing challenges in negotiating a collective bargaining agreement funded under this subsection, the agreement will not have been concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

Sec. 808. 2006 c 370 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TOLL OPERATIONS AND MAINTENANCE--PROGRAM B

Tacoma Narrows Toll Bridge Account--State Appropriation	((\$8,294,000))
	<u>\$5,288,000</u>

Sec. 809. 2006 c 370 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--AVIATION--PROGRAM F

Aeronautics Account--State Appropriation	((\$7,137,000))
	<u>\$6,925,000</u>
Aeronautics Account--Federal Appropriation	<u>\$2,150,000</u>
Multimodal Transportation Account--State Appropriation	<u>\$100,000</u>
Multimodal Transportation Account--Federal Appropriation	<u>\$900,000</u>
TOTAL APPROPRIATION	((\$10,287,000))
	<u>\$10,075,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) \$433,000 of the aeronautics account--state appropriation is provided solely for airport pavement projects. The department's aviation division shall complete a priority airport pavement project list by January 1, 2006, to be considered by the legislature in the 2006 supplemental budget. If Substitute Senate Bill No. 5414 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(b) If Substitute Senate Bill No. 5414 is enacted by July 1, 2005, then the remaining unexpended fund balance in the aircraft search and rescue, safety, and education account shall be deposited into the state aeronautics account.

(2) The entire multimodal transportation account--state and federal appropriations are provided solely for implementing Engrossed Substitute Senate Bill No. 5121. If Engrossed Substitute Senate Bill No. 5121 is not enacted by June 30, 2005, or if federal funds are not received by March 1, 2006, for the purpose of implementing Engrossed Substitute Senate Bill No. 5121, the amount provided in this subsection shall lapse.

Sec. 810. 2006 c 370 s 224 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION PLANNING, DATA, AND RESEARCH--PROGRAM T

Motor Vehicle Account--State Appropriation	((\$24,052,000))
	<u>\$23,053,000</u>
Motor Vehicle Account--Federal Appropriation	\$16,756,000
Multimodal Transportation Account--State Appropriation	\$2,279,000
Multimodal Transportation Account--Federal Appropriation	\$2,829,000
Multimodal Transportation Account--Private/Local Appropriation	\$100,000
Transportation Partnership Account--State Appropriation	\$2,300,000
TOTAL APPROPRIATION	((\$48,316,000))
	<u>\$47,317,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) In order to qualify for state planning funds available to regional transportation planning organizations under this section, a regional transportation planning organization containing any county with a population in excess of one million shall provide voting membership on its executive board to any incorporated principal city of a metropolitan statistical area within the region, as designated by the United States census bureau, and to any incorporated city within the region with a population in excess of eighty thousand as of July 1, 2005. Additionally, a regional transportation planning organization described under this subsection shall conduct a review of its executive board membership criteria to ensure that the criteria appropriately reflects a true and comprehensive representation of the organization's jurisdictions of significance within the region.

(2) \$175,000 of the motor vehicle account--state appropriation is provided to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department to support the processing and analysis of the backlog of city and county collision reports by January 2006. The amount provided in this subsection shall lapse if federal funds become available for this purpose.

(3) \$150,000 of the multimodal transportation account--state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1565. If Engrossed Second Substitute House Bill No. 1565 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(4) The department of transportation shall evaluate the number of spaces available for long-haul truck parking relative to current and projected future needs. The department of transportation shall also explore options for augmenting the number of spaces available, including, but not limited to, expanding state-owned rest areas or modifying regulations governing the use of these facilities, utilizing weigh stations and park and ride lots, and encouraging the expansion of the private sector's role. Finally, the department shall explore the utility of coordinating with neighboring states on long-haul truck parking and evaluate methodologies for alleviating any air quality issues relative to the issue. The department must report to the transportation committees of the legislature by December 1, 2005, on the options, strategies, and recommendations for long-haul truck parking.

(5) \$50,000 of the multimodal transportation account--state appropriation is provided solely for evaluating high-speed passenger transportation facilities and services, including rail or magnetic levitation transportation systems, to connect airports as a means to more efficiently utilize airport capacity, as well as connect major population and activity centers. This evaluation shall be coordinated with the airport capacity and facilities market analysis conducted pursuant to Engrossed Substitute Senate Bill No. 5121 and results of the evaluation shall be submitted by July 1, 2007. If Engrossed Substitute Senate Bill No. 5121 is not enacted by June 30, 2005, or if federal funds are not received by March 1, 2006, for the purpose of implementing Engrossed Substitute Senate Bill No. 5121, the amount provided in this subsection shall lapse.

(6) \$700,000 of the motor vehicle account--state appropriation is provided solely for completing funding for a route development plan of U.S. route 2.

(7) The department shall conduct a study of the resources allocated to each of the seven department regions and the corresponding workloads. Given the magnitude of the investments in the Puget Sound region, particular emphasis shall be given to reviewing the resources allocated and corresponding workloads with respect to the urban corridors region and the northwest region. Based on the results of this study, the department shall submit recommendations by December 1, 2006, to the legislature and the office of financial management regarding reallocating resources and revising regional boundaries within the department, as appropriate, in order to better coincide allocated resources with designated regional boundaries.

(8) \$750,000 of the multimodal transportation account--state appropriation is provided solely for implementing Engrossed Substitute House Bill No. 2871. If Engrossed Substitute House Bill No. 2871 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse. The regional transportation commission's duties to develop, complete, and submit a governance proposal to the 2007 legislature are highly time sensitive. As a result, the legislature finds that competitive bidding is not cost-effective or appropriate for personal service contracts entered into by the commission, and that the director of the office of financial management should, by the director's authority under RCW 39.29.011(5), exempt any such personal service contract from the competitive bidding requirements of chapter 39.29 RCW.

(9) \$2,300,000 of the transportation partnership account--state appropriation is provided solely for the costs of the regional transportation investment district (RTID) and department of transportation project oversight. The department shall provide support from its urban corridors region to assist in preparing project costs, expenditure plans, and modeling. The department shall not deduct a management reserve, nor charge management or overhead fees. These funds are provided as a loan to the RTID and shall be repaid to the state motor vehicle account within one year following the certification of the election results related to the RTID.

(10) \$100,000 of the motor vehicle account--state appropriation is provided solely to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department solely to conduct an analysis of expanding the transportation concurrency requirements prescribed under the growth management act, chapter 36.70A RCW, to include development impacts on level of service standards applicable to state-owned transportation facilities, including state highways and state ferry routes. The objective of the analysis is to determine how to ensure that jurisdictional divisions do not defeat growth management act concurrency goals. The department shall convene a committee to oversee the analysis, with the committee comprised of, at a minimum, four members of the transportation committees of the legislature, four

members of the appropriate land use committees of the legislature, and one member each from the association of Washington cities and the Washington state association of counties, or a designee thereof. The completed study, including recommendations, must be submitted to the appropriate standing committees of the legislature, and to the office of financial management, by December 1, 2006.

(11) The department of transportation, the Washington state economic revenue forecast council, and the office of financial management shall review and adopt a method of forecasting motor vehicle and special fuel prices, revenue, and the amount of consumption that has an increased rate of accuracy as compared to the existing method. The three agencies shall submit a report to the transportation committees of the legislature by December 1, 2006, outlining the methods researched and the criteria utilized to select and adopt the new fuel forecasting method.

(12) \$150,000 of the multimodal transportation account--state appropriation is provided solely for a transportation demand management program, developed by the Whatcom council of governments, to further reduce drive-alone trips and maximize the use of sustainable transportation choices. The community based program must focus on all trips, not only commute trips, by providing education, assistance, and incentives to four target audiences: (a) Large work sites; (b) employees of businesses in downtown areas; (c) school children; and (d) residents of Bellingham.

Sec. 811. 2006 c 370 s 225 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--CHARGES FROM OTHER AGENCIES--PROGRAM U	
Motor Vehicle Account--State Appropriation	((\$46,874,000))
	<u>\$47,334,000</u>
Motor Vehicle Account--Federal Appropriation	\$400,000
TOTAL APPROPRIATION	((\$47,274,000))
	<u>\$47,734,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ((~~\$31,749,000~~)) \$32,209,000 of the motor vehicle fund--state appropriation is provided solely for the liabilities attributable to the department of transportation. The office of financial management must provide a detailed accounting of the revenues and expenditures of the self-insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.

(2) Payments in this section represent charges from other state agencies to the department of transportation.

(a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT	
DIVISION OF RISK MANAGEMENT FEES	\$1,667,000
(b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE	
AUDITOR	\$1,026,000
(c) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL	
ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED	
MAIL SERVICES	\$4,049,000
(d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF	
PERSONNEL	\$4,548,000
(e) FOR PAYMENT OF SELF-INSURANCE LIABILITY	
PREMIUMS AND ADMINISTRATION	((\$31,749,000))
	<u>\$32,209,000</u>
(f) FOR PAYMENT OF THE DEPARTMENT OF GENERAL	
ADMINISTRATION CAPITAL PROJECTS SURCHARGE	\$1,717,000
(g) FOR ARCHIVES AND RECORDS MANAGEMENT	\$545,000
(h) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS	
ENTERPRISES	\$1,124,000
(i) FOR PAYMENT OF THE DEPARTMENT OF PERSONNEL	
HRMS PAYROLL SYSTEM	\$817,000
(j) FOR PAYMENT OF THE OFFICE OF FINANCIAL	
MANAGEMENT ROADMAP CHARGES	\$12,000
(k) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT	
CAPITAL BUDGET SYSTEM CHARGES	\$15,000
(l) FOR PAYMENT OF DEPARTMENT OF INFORMATION SERVICES	
RATE INCREASES	\$5,000

Sec. 812. 2006 c 370 s 226 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION--PROGRAM V	
Multimodal Transportation Account--State Appropriation	((\$87,233,000))
	<u>\$70,005,000</u>
Multimodal Transportation Account--Federal Appropriation	\$2,603,000
Multimodal Transportation Account--Private/Local Appropriation	\$155,000
TOTAL APPROPRIATION	((\$89,991,000))
	<u>\$72,763,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000,000 of the multimodal transportation account--state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation.

(a) \$5,500,000 of the amount provided in this subsection is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers shall be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) \$19,500,000 of the amount provided in this subsection is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies shall be prorated based on the amount expended for demand response service and route deviated service in calendar year 2003 as reported in the "Summary of Public Transportation - 2003" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions. The first \$450,000 provided to King county shall be used as follows:

(i) \$320,000 shall be used to provide electric buses, instead of diesel buses, for service on Capital Hill in Seattle, Washington through June 30, 2007;

(ii) \$130,000 shall be used to provide training for blind individuals traveling through Rainier Valley and the greater Seattle area. The training is to include destination training and retraining due to the expected closure of the downtown bus tunnel and training on how to use the Sound Transit light rail system.

(2) Funds are provided for the rural mobility grant program as follows:

(a) \$7,000,000 of the multimodal transportation account--state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the Summary of Public Transportation - 2003 published by the department of transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs.

(b) \$7,000,000 of the multimodal transportation account--state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(3) \$8,900,000 of the multimodal transportation account--state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; no operating costs for public transit agencies are eligible for funding under this grant program. No additional employees may be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. Additional criteria for selecting grants must include leveraging funds other than state funds.

(4) \$3,000,000 of the multimodal transportation account--state appropriation is provided solely for the city of Seattle for the Seattle streetcar project on South Lake Union.

(5) \$1,200,000 of the multimodal transportation account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 2124. If Engrossed Substitute House Bill No. 2124 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6)(a) (~~(\$20,000,000)~~) \$2,832,000 of the multimodal transportation account--state appropriation is provided solely for the regional mobility grant projects identified on the LEAP Transportation Document 2006-D, Regional Mobility Grant Program Projects as developed March 8, 2006. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award. When funds become available either because grant awards have been rescinded for lack of sufficient project activity or because completed projects returned excess grant funds upon project closeout, the department shall expeditiously extend new grant awards to qualified alternative projects identified on the list.

(b) Pursuant to the grant program established in RCW 47.66.030, the department shall issue a call for projects and/or service proposals. Applications must be received by the department by November 1, 2005, and November 1, 2006. The department must submit a prioritized list for funding to the transportation committees of the legislature that reflects the department's recommendation, as well as, a list of all project or service proposals received.

(7) \$2,000,000 of the multimodal transportation account--state appropriation is provided solely for new tri-county connection service for Island, Skagit, and Whatcom transit agencies.

(8) \$2,000,000 of the multimodal transportation account--state appropriation is provided solely to King county as a state match to obtain federal funding for a car sharing program for persons meeting certain income or employment criteria.

(9) \$750,000 of the multimodal transportation account--state appropriation is provided solely for the implementation of the local government and regional transportation planning requirements in Engrossed Substitute Senate Bill No. 6566 (commute trip reduction). The department may use contract or temporary employees to implement the bill and shall allocate the remaining funds to regional transportation planning organizations, counties, and cities on an as needed basis. If Engrossed Substitute Senate Bill No. 6566 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(10) (~~(\$200,000)~~) \$140,000 of the multimodal account appropriation is provided solely for up to three low-income car ownership programs. The department shall seek to leverage available federal funds from the job access and reverse commute program to augment the funding provided in this subsection. Additionally, the department shall report back to the appropriate committees of the legislature with a review of the obstacles presented by state laws on surplus property disposal to community organizations reconditioning cars and selling those cars at below market rates to low-income families.

Sec. 813. 2006 c 370 s 227 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X

Puget Sound Ferry Operations Account--State Appropriation	((\$372,254,000))
	\$390,049,000
Multimodal Transportation Account--State Appropriation	\$3,660,000
TOTAL APPROPRIATION	((\$375,914,000))
	\$393,709,000

The appropriations in this section are subject to the following conditions and limitations:

(1) (~~(\$75,280,000)~~) \$81,664,000 of the total appropriation is provided solely for auto ferry vessel operating fuel in the 2005-2007 biennium.

(2) The maximum amount of expenditures for compensation paid to ferry employees during the 2005-2007 biennium shall not exceed (~~(\$226,455,000)~~) \$236,085,000. This amount reflects the sole source of state funding available to support the implementation of any collective bargaining agreements or arbitration awards with respect to state ferry employee compensation, including salaries, wages, and employee benefits, during the 2005-2007 biennium, which amount includes \$6,223,000 in full satisfaction of the arbitration awards for the 2001-2003 biennium and \$1,339,000 for labor productivity gains agreements and \$8,870,000 in full satisfaction of the arbitration awards and the negotiated collective bargaining agreements for the 2003-2005 and 2005-2007 biennia. The department's use of this expenditure authority constitutes a good faith attempt to implement such agreements and awards, including those applicable to prior biennia. It is the intent of the legislature that the expenditure authority provided in this subsection fully satisfy any agreements or awards required to be implemented during the 2005-2007 biennium, and that the provisions of Substitute House Bill No. 3178 (marine employees collective bargaining) will govern the implementation of agreements or awards effective beginning with the 2007-2009 biennium. For the purposes of this section, the expenditures for compensation paid to ferry employees shall be limited to salaries and wages and employee benefits as defined in the office of financial management's state administrative and accounting manual, chapter 75.70, named under objects of expenditure "A" and "B".

(3) \$1,116,000 of the Puget Sound ferry operations account--state appropriation is provided solely for ferry security operations necessary to comply with the ferry security plan submitted by the Washington state ferry system to the United States coast guard. The department shall track security costs and expenditures. Ferry security operations costs shall not be included as part of the operational costs that are used to calculate farebox recovery.

(4) The Washington state ferries must work with the department's information technology division to implement an electronic fare system, including the integration of the regional fare coordination system (smart card). Each December and June, semi-annual updates must be provided to the transportation committees of the legislature concerning the status of implementing and completing this project, with updates concluding the first December after full project implementation.

(5) The Washington state ferries shall continue to provide service to Sidney, British Columbia.

(6) \$3,660,000 of the multimodal transportation account--state appropriation is provided solely to provide passenger-only ferry service. The ferry system shall continue passenger-only ferry service from Vashon Island to Seattle until such time as a county ferry district's assumption of the route, as authorized by Substitute Senate Bill No. 6787. Beginning September 1, 2005, ferry system management shall implement its agreement with the Inlandboatmen's Union of the Pacific and the International Organization of Masters, Mates and Pilots providing for part-time passenger-only work schedules.

(7) \$350,000 of the Puget Sound ferry operations account--state appropriation is provided solely for the implementation of Substitute House Bill No. 3178 (marine employees collective bargaining). If Substitute House Bill No. 3178 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 814. 2006 c 370 s 228 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--OPERATING

Multimodal Transportation Account--State Appropriation	((\$36,876,000))
	<u>\$35,626,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) \$29,091,000 of the multimodal transportation account--state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining the state-supported passenger rail service. Upon completion of the rail platform project in the city of Stanwood, the department shall provide daily Amtrak Cascades service to the city.

(b) The department shall negotiate with Amtrak and Burlington Northern Santa Fe to adjust the Amtrak Cascades schedule to leave Bellingham at a significantly earlier hour.

(2) ((~~\$2,750,000~~)) \$1,500,000 of the multimodal transportation account--state appropriation is provided solely for a new round trip rail service between Seattle and Portland beginning July 1, 2006.

(3) No AMTRAK Cascade runs may be eliminated.

(4) \$40,000 of the multimodal transportation account--state appropriation is provided solely for the produce railcar program. The department is encouraged to implement the produce railcar program by maximizing private investment.

(5) \$500,000 of the multimodal transportation account--state appropriation is provided solely for a study of the realignment of highway and rail in the Longview industrial area (SR 432) corridor, specifically regarding whether the construction of a limited access bypass highway to reduce congestion resulting from anticipated growth in future rail and truck traffic, is a feasible alternative. In conducting the study, the department shall consult port districts, local government planning staff, and rail road companies, and other appropriate stakeholders.

(6) \$60,000 of the multimodal transportation account--state appropriation is provided solely for a study of the need for transloading capabilities in the West Plains area that could be served by the Geiger Spur, including evaluation of prospective transloader sites, potential operators and users, and the type, size, and special needs of shippers/customers. The study must also evaluate the costs associated with building and operating a transloader site and the impact to local roadways and surrounding land uses. In conducting the study, the department shall consult with Spokane County.

Sec. 815. 2006 c 370 s 229 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--OPERATING

Motor Vehicle Account--State Appropriation	((\$8,500,000))
	<u>\$8,836,000</u>
Motor Vehicle Account--Federal Appropriation	<u>\$2,597,000</u>
Multimodal Transportation Account--State Appropriation	((\$411,000))
	<u>\$200,000</u>
TOTAL APPROPRIATION	((\$11,508,000))
	<u>\$11,633,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$211,000 of the motor vehicle account--state appropriation and ((~~\$411,000~~)) \$200,000 of the multimodal transportation account--state appropriation are provided solely for the state's contribution to county and city studies of flood hazards in association with interstate highways. First priority shall be given to threats along the I-5 corridor.

(2) ((~~\$525,000~~)) \$861,000 of the motor vehicle account--state appropriation is provided solely to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department solely for contract services with the association of Washington cities and the Washington state association of counties for improving transportation permitting and mitigation processes.

TRANSPORTATION AGENCIES--CAPITAL

Sec. 901. 2005 c 313 s 301 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account--State Appropriation	((\$2,801,000))
	<u>\$4,138,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1) \$1,535,000 of the appropriation is provided solely for the Shelton training academy domestic water and wastewater treatment project.

(2) \$1,266,000 of the appropriation is provided solely for minor works projects.

Sec. 902. 2006 c 370 s 301 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account--State Appropriation	((\$64,933,000))
	<u>\$38,046,000</u>
Motor Vehicle Account--State Appropriation	\$355,000
County Arterial Preservation Account--State Appropriation	((\$32,697,000))
	<u>\$31,882,000</u>
TOTAL APPROPRIATION	((\$97,985,000))
	<u>\$70,283,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$355,000 of the motor vehicle account--state appropriation is provided for county ferries as set forth in RCW 47.56.725(4).

Sec. 903. 2006 c 370 s 302 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Urban Arterial Trust Account--State Appropriation	((\$101,425,000))
	<u>\$93,425,000</u>
Small City Preservation and Sidewalk Account--State Appropriation	((\$2,000,000))
	<u>\$1,696,000</u>
Transportation Improvement Account--State Appropriation	((\$94,401,000))
	<u>\$82,258,000</u>
TOTAL APPROPRIATION	((\$197,826,000))
	<u>\$177,379,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The transportation improvement account--state appropriation includes up to ((~~\$14,143,000~~)) \$7,000,000 in proceeds from the sale of bonds authorized in RCW 47.26.500.

(2) ((~~\$2,000,000~~)) \$1,696,000 of the small city preservation and sidewalk account--state appropriation is provided to fund the provisions of chapter 83, Laws of 2005 (Substitute Senate Bill No. 5775).

Sec. 904. 2006 c 370 s 303 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM D (DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)--CAPITAL

Motor Vehicle Account--State Appropriation	((\$2,328,000))
	<u>\$1,911,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1) \$584,000 of the motor vehicle account--state appropriation is provided solely for statewide administration.

(2) ((~~\$632,000~~)) \$561,000 of the motor vehicle account--state appropriation is provided solely for regional minor projects.

(3) ((~~\$305,000~~)) \$40,000 of the motor vehicle account--state appropriation is provided solely for designing the replacement of the existing outdated maintenance facility in Ephrata.

(4) ((~~\$239,000~~)) \$158,000 of the motor vehicle account--state appropriation is provided solely for the designing of the northwest regional maintenance complex in Seattle.

(5) \$568,000 of the motor vehicle account--state appropriation is provided solely for the Olympic region headquarters project.

(a) The department of transportation is authorized to use certificates of participation for the financing of the Olympic region project in the amount of \$34,874,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW.

(b) The Washington state department of transportation may utilize the design-build process in accordance with chapter 39.10 RCW for the Olympic region project. If the design-build process is used, it may be developed in partnership with the department of general administration.

Sec. 905. 2006 c 370 s 306 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--CAPITAL

Motor Vehicle Account--State Appropriation	((\$17,555,000))
	<u>\$11,162,000</u>
Motor Vehicle Account--Federal Appropriation	((\$15,068,000))
	<u>\$10,308,000</u>
Motor Vehicle Account--Local Appropriation	((\$108,000))
	<u>\$50,000</u>
TOTAL APPROPRIATION	((\$32,731,000))
	<u>\$21,520,000</u>

The appropriations in this section are subject to the following conditions and limitations: The motor vehicle account--state appropriation includes ((~~\$11,255,000~~)) \$11,162,000 for state matching funds for federally selected competitive grant or congressional earmark projects other than the commercial vehicle information systems and network. These moneys shall be placed into reserve status until such time as federal funds are secured that require a state match.

Sec. 906. 2006 c 370 s 304 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--IMPROVEMENTS--PROGRAM I

Transportation 2003 Account (Nickel Account)--State Appropriation	((\$1,190,511,000))
	<u>\$1,079,697,000</u>
Motor Vehicle Account--State Appropriation	((\$85,165,000))
	<u>\$84,385,000</u>
Motor Vehicle Account--Federal Appropriation	((\$395,043,000))

	<u>\$352,856,000</u>
Motor Vehicle Account--Private/Local Appropriation	((\$58,522,000))
	<u>\$46,807,000</u>
Special Category C Account--State Appropriation	((\$3,479,000))
	<u>\$3,152,000</u>
Tacoma Narrows Toll Bridge Account Appropriation	\$274,038,000
Transportation Partnership Account--State Appropriation	((\$384,186,000))
	<u>\$282,784,000</u>
Multimodal Transportation Account--State Appropriation	((\$1,002,000))
	<u>\$750,000</u>
TOTAL APPROPRIATION	((\$2,391,946,000))
	<u>\$2,124,469,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by ~~((fund,))~~ project ~~((and amount))~~ in LEAP Transportation Document 2006-1, Highway Improvement Program (I) as developed March 8, 2006. ~~((However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.))~~

(b) Within the amounts provided in this subsection, \$6,835,000 of the transportation partnership account--state appropriation, \$5,002,000 of the transportation 2003 account (nickel account)--state appropriation, and \$2,645,000 of the motor vehicle account--federal appropriation are for project 109040T: I-90/Seattle to Mercer Island - Two way transit/HOV. Expenditure of these funds on construction is contingent upon the development of an access plan that provides equitable and dependable access for I-90 Mercer Island exit and entry.

(c) Within the amounts provided in this subsection, \$500,000 of the transportation partnership account--state appropriation is for a west Olympia access study, to complete an access study for state route 101/west Olympia.

(d) Within the amounts provided in this subsection, \$800,000 of the transportation partnership account--state appropriation is for an SR 534 access point decision report.

(f) Within the amounts provided within this subsection, \$6,000,000 of the transportation partnership account--state appropriation is for project 509009B: I-90 Snoqualmie Pass East - Hyak to Keechelus dam. However, if the preferred alternative selected for this project results in a lower total project cost, the remaining funds may be used for concrete rehabilitation on I-90 in the vicinity of this project.

(g) Within the amounts provided in this subsection, \$12,841,000 of the transportation 2003 account (nickel account)--state appropriation and \$4,939,000 of the transportation partnership account--state appropriation are for construction of a new interchange on SR 522 to provide direct access to the University of Washington Bothell/Cascadia community college joint campus. This appropriation assumes an additional \$8,061,000 will be provided in the 2007-09 biennium from the transportation partnership account.

(h) Within the amounts provided in this subsection, \$19,262,149 of the motor vehicle account--federal appropriation and \$1,873,478 of the transportation 2003 account (nickel account) appropriation are for project 154302E: SR 543 (I-5 to the international boundary).

(2) The motor vehicle account--state appropriation includes up to \$50,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843.

(3) The department shall not commence construction on any part of the state route number 520 bridge replacement and HOV project until a record of decision has been reached providing reasonable assurance that project impacts will be avoided, minimized, or mitigated as much as practicable to protect against further adverse impacts on neighborhood environmental quality as a result of repairs and improvements made to the state route 520 bridge and its connecting roadways, and that any such impacts will be addressed through engineering design choices, mitigation measures, or a combination of both. The requirements of this section shall not apply to off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.

(4) The transportation partnership account--state appropriation includes up to \$150,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(5) The Tacoma Narrows toll bridge account--state appropriation includes up to \$257,016,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. The Tacoma Narrows toll bridge account--state appropriation includes up to \$17,022,000 in unexpended proceeds from the March 2005 bond sale authorized in RCW 47.10.843 for the Tacoma Narrows bridge project.

(6) The transportation 2003 account (nickel account)--state appropriation includes up to \$880,000,000 in proceeds from the sale of bonds authorized by chapter 147, Laws of 2003.

(7) The department shall, on a quarterly basis beginning July 1, 2005, provide to the office of financial management and the legislature reports providing the status on each project in the project lists submitted pursuant to this act. Other projects may be reported on a programmatic basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).

(8) The department of transportation shall conduct an analysis of the causes of traffic congestion on I-5 in the vicinity of Fort Lewis and develop recommendations for alleviating the congestion. The department must report to the transportation committees of the legislature by December 1, 2005, on its analysis and recommendations regarding traffic congestion on I-5 in the vicinity of Fort Lewis.

(9) The department of transportation is authorized to proceed with the SR 519 Intermodal Access project if the city of Seattle has not agreed to a project configuration or design by July 1, 2006.

(10) The motor vehicle account--state appropriation includes up to \$14,214,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.843.

(11) The special category C account--state appropriation includes up to \$1,710,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.812.

(12) The department should consider using mitigation banking on appropriate projects whenever possible, without increasing the cost to projects. The department should consider using the advanced environmental mitigation revolving account (AEMRA) for corridor and watershed based mitigation opportunities, in addition to project specific mitigation.

(13) \$500,000 of the motor vehicle account--state appropriation is provided solely for a planning study regarding congestion mitigation improvements on state route 101 in the vicinity of the city of Aberdeen.

(14) \$6,200,000 of the motor vehicle account--federal appropriation is provided solely for eastern Washington international border crossing and freight mobility projects, including pavement preservation, pavement structural strengthening, and other safety enhancements. Projects shall include funding for U.S. route 97 international border vicinity paving and improvement projects.

(15) \$3,509,738 of the motor vehicle account--federal appropriation and \$30,793 of the motor vehicle account--state appropriation are provided solely for project 100598C: I-5 Blaine Exit interchange improvements.

~~((+7))~~ (16) The legislature recognizes that the finance and project implementation planning processes required for the Alaskan Way viaduct and Seattle Seawall replacement project and the SR 520 bridge replacement and HOV project cannot guarantee appropriate decisions unless key study assumptions are reasonable with respect to each project.

To assure appropriate finance plan and project implementation plan assumptions, an expert review panel shall be appointed to provide independent financial and technical review for development of a finance plan and project implementation plan for the projects described in this subsection.

(a) The expert review panel shall consist of five to ten members who are recognized experts in relevant fields, such as planning, engineering, finance, law, the environment, emerging transportation technologies, geography, and economics.

(b) The expert review panel shall be selected cooperatively by the chairs of the senate and house transportation committees, the secretary of the department of transportation, and the governor to assure a balance of disciplines.

(c) The chair of the expert review panel shall be designated by the governor.

(d) The expert panel shall, with respect to completion of the project alternatives as described in the draft environmental impact statement of each project:

(i) Review the finance plan for the project to ensure that it clearly identifies secured and anticipated funding sources and is feasible and sufficient;

(ii) Review the project implementation plan covering all state and local permitting and mitigation approvals that ensure the most expeditious and cost-effective delivery of the project; and

(iii) Report its findings and recommendations on the items described in (d)(i) and (ii) of this subsection to the joint transportation committee, the office of financial management, and the governor no later than September 1, 2006.

(e) Upon receipt of the expert review panel's findings and recommendations under (d)(iii) of this subsection, the governor must make a finding of whether each finance plan is feasible and sufficient to complete the project as described in the draft environmental impact statement.

(f) Nothing in this section shall be interpreted to delay construction of any of the projects referenced in this subsection.

~~((+8))~~ (17)(a) Prior to commencing construction on either project, the department of transportation must complete all of the following requirements for both the Alaskan Way viaduct and Seattle Seawall replacement project, and the state route number 520 bridge replacement and HOV project: (i) In accordance with the national environmental policy act, the department must designate the preferred alternative, prepare a substantial project mitigation plan, and complete a comprehensive cost estimate review using the department's cost estimate validation process, for each project; (ii) in accordance with all applicable federal highway administration planning and project management requirements, the department must prepare a project finance plan for each project that clearly identifies secured and anticipated fund sources, cash flow timing requirements, and project staging and phasing plans if applicable; and (iii) the department must report these results for each project to the joint transportation committee.

(b) The requirements of this subsection shall not apply to (i) utility relocation work, and related activities, on the Alaskan Way viaduct and Seattle Seawall replacement project and (ii) off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.

Sec. 907. 2006 c 370 s 305 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--PRESERVATION--PROGRAM P

Transportation 2003 Account (Nickel Account)--State Appropriation	((\$1,687,000)) \$1,690,000
Motor Vehicle Account--State Appropriation	((\$94,799,000)) \$88,954,000
Motor Vehicle Account--Federal Appropriation	((\$435,310,000)) \$426,297,000
Motor Vehicle Account--Private/Local Appropriation	((\$8,485,000)) \$6,194,000
((Puyallup Tribal Settlement Account--State Appropriation)) \$11,000,000
Transportation Partnership Account--State Appropriation	((\$24,540,000)) \$20,180,000
TOTAL APPROPRIATION	((\$575,821,000)) \$543,315,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by ~~((fund,))~~ project ~~((and amount))~~ in LEAP Transportation Document 2006-1, Highway Preservation Program (P) as developed March 8, 2006. ~~((However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.))~~

(2) \$11,000,000 of the Puyallup tribal settlement account--state appropriation is provided solely for mitigation costs associated with the Murray Morgan/11th Street Bridge demolition. The department may negotiate with the city of Tacoma for the purpose of transferring ownership of the Murray Morgan/11th Street Bridge to the city. The department may use the Puyallup tribal settlement account appropriation, as well as any funds appropriated in the current biennium and planned in future biennia for the demolition and mitigation for the demolition of the bridge to rehabilitate or replace the bridge, if agreed to by the city. In no event shall the department's participation exceed \$26,500,000 and no funds may be expended unless the city of Tacoma agrees to take ownership of the bridge in its entirety and provide that the payment of these funds extinguishes any real or implied agreements regarding future expenditures on the bridge.

(3) \$740,000 of the motor vehicle account--state appropriation, \$106,149,000 of the motor vehicle account--federal appropriation, and \$10,305,000 of the transportation partnership account--state appropriation are provided solely for the Hood Canal bridge project.

(4) The motor vehicle account--state appropriation includes up to \$735,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.761 and 47.10.762 for emergency purposes.

(5) The department of transportation shall continue to implement the lowest life cycle cost planning approach to pavement management throughout the state to encourage the most effective and efficient use of pavement preservation funds. Emphasis should be placed on increasing the number of roads addressed on time and reducing the number of roads past due.

(6) The department shall, on a quarterly basis beginning July 1, 2005, provide to the office of financial management and the legislature reports providing the status on each project in the project lists submitted pursuant to this act. Other projects may be reported on a programmatic

basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).

(7) The motor vehicle account--state appropriation includes up to \$912,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.843.

(8) The motor vehicle account--state appropriation includes up to \$6,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843.

(9) ~~(\$4,000,000)~~ \$3,200,000 of the motor vehicle account--federal appropriation and \$6,000,000 of the motor vehicle account--state appropriation, as specified in subsection (8) of this section, are for expenditures on damaged state roads due to flooding, mudslides, rock fall, or other unforeseen events. Slide repair on state routes 101, 4, 107, and 105 must be funded from this amount if federal emergency funds are not available.

Sec. 908. 2006 c 370 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W	
Puget Sound Capital Construction Account--State Appropriation	(\$122,324,000)
	<u>\$100,254,000</u>
Puget Sound Capital Construction Account--Federal Appropriation	(\$73,590,000)
	<u>\$62,842,000</u>
Puget Sound Capital Construction Account--Private/Local Appropriation	\$26,000
Multimodal Transportation Account--State Appropriation	(\$13,249,000)
	<u>\$10,749,000</u>
Transportation 2003 Account (Nickel Account)--State Appropriation	(\$34,991,000)
	<u>\$18,275,000</u>
TOTAL APPROPRIATION	(\$244,180,000)
	<u>\$192,146,000</u>

The appropriations in this section are provided for improving the Washington state ferry system, including, but not limited to, vessel construction, major and minor vessel preservation, and terminal preservation, construction, and improvements. The appropriations in this section are subject to the following conditions and limitations:

(1) The Puget Sound capital construction account--state appropriation includes up to ~~(\$40,950,000)~~ \$40,288,000 in proceeds from the sale of bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead time materials acquisition for the Washington state ferries.

(2) The multimodal transportation account--state appropriation includes up to ~~(\$10,249,000)~~ \$9,079,000 in proceeds from the sale of bonds authorized by RCW 47.10.867.

(3) \$15,617,000 of the Puget Sound capital construction account--state appropriation is provided solely for the Eagle Harbor Terminal Preservation project.

(4) The entire transportation 2003 account (nickel account) appropriation and \$10,249,000 of the multimodal transportation account--state appropriation are provided solely for the projects and activities as listed by fund, project and amount in LEAP Transportation Document 2006-1, Ferries Construction Program (W) as developed March 8, 2006. However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.

(5) The department shall, on a quarterly basis beginning July 1, 2005, provide to the office of financial management and the legislature reports providing the status on each project in the project lists submitted pursuant to this act and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection via the transportation executive information systems (TEIS).

(6) \$3,000,000 of the multimodal transportation account--state appropriation is provided solely for passenger-only projects. Projects may include vessel or terminal projects or costs associated with selling vessels.

(7) The multimodal transportation account--state appropriation includes up to \$1,170,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.867.

Sec. 909. 2006 c 370 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--CAPITAL	
(Essential Rail Assistance Account--State Appropriation	-\$250,000)
Motor Vehicle Account--Federal Appropriation	\$1,485,000
Multimodal Transportation Account--State Appropriation	(\$68,176,000)
	<u>\$57,814,000</u>
Multimodal Transportation Account--Private/Local Appropriation	(\$8,287,000)
	<u>\$551,000</u>
Multimodal Transportation Account--Federal Appropriation	(\$17,268,000)
	<u>\$10,198,000</u>
TOTAL APPROPRIATION	(\$93,981,000)
	<u>\$70,048,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The multimodal transportation account--state appropriation includes up to ~~(\$33,435,000)~~ \$1,422,000 in proceeds from the sale of bonds ~~(and up to \$830,000 in unexpended bond proceeds authorized by RCW 47.10.867)).~~

(2) If federal block grant funding for freight or passenger rail is received, the department shall consult with the transportation committees of the legislature prior to spending the funds on additional projects.

(3)(a) ~~(\$68,176,000)~~ \$57,714,000 of the multimodal transportation account--state appropriation, ~~(\$17,268,000)~~ \$10,198,000 of the multimodal transportation account--federal appropriation, ~~(\$8,287,000)~~ \$551,000 of the multimodal transportation account--local appropriation, and ~~(\$250,000 of the essential rail assistance account)~~ \$1,485,000 of the motor vehicle account--federal appropriation are provided solely for the projects and activities as listed by ~~(fund,)~~ project ~~(and amount)~~ in LEAP Transportation Document 2006-C, Rail

Capital Program (Y) as developed March 8, 2006. ~~((However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.))~~

(b) Within the amounts provided in this subsection, ~~((~~\$6,500,000~~))~~ \$5,000,000 of the multimodal transportation account--state appropriation is for the ~~((two))~~ commuter rail project~~((s))~~ listed in the LEAP Transportation Document 2006-C, Rail Capital Program (Y) as developed March 8, 2006.

(c) Within the amounts provided in this subsection, \$10,937,000 of the multimodal transportation account--state appropriation is for the cost of the memorandum of understanding for the acquisition of the Palouse River Coulee City (PCC) rail lines.

(i) The office of financial management shall negotiate the purchase of the CW line. The purchase agreement must include both the operating and capital rights of the CW line. If the office of financial management is unable to negotiate the purchase of the CW line, the office may stop all negotiations and acquire the line and operational rights through any other alternative means available. The office of financial management shall also negotiate a new operational agreement for the line for the 2007 and 2008 harvest seasons, in consultation with local governments and other stakeholders.

~~((~~ii~~))~~ (ii) The office of financial management shall negotiate the purchase of the operating rights of the P&L and PV Hooper lines. If the office of financial management is unable to negotiate the purchase of the operating rights of the P&L and PV Hooper lines, the office may stop all negotiations and acquire the operating rights through any other alternative means available. The office of financial management shall also negotiate new operational agreement(s) for the P&L and PV Hooper lines, for the 2007 and 2008 harvest seasons, in consultation with local governments and other stakeholders.

~~((~~iii~~))~~ (iii) In order to maintain the operation of the Palouse River & Coulee City rail lines, the office of financial management is authorized to negotiate an agreement wherein they may forgive all or part of the existing freight rail assistance loan to the current operator of the Palouse River & Coulee City rail lines in exchange for good and valuable consideration.

(iv) Following acquisition of the PCC rail lines, the department shall not expend funds provided in (a) of this subsection to refurbish the lines or provide an operating subsidy for the lines.

(4) If the department issues a call for projects, applications must be received by the department by November 1, 2005, and November 1, 2006.

(5) \$50,000 of the multimodal transportation account--state appropriation is provided solely for a study of eastern Skagit county freight rail. The study shall examine the feasibility of restoring portions of freight rail line to the towns of Lyman, Hamilton, and Concrete. The study must also identify existing and potential industrial sites available for development and redevelopment, and the freight rail service needs of the identified industrial sites.

(6) The department shall finalize and issue the Amtrak Cascades long range plan update as of the effective date of this act.

(7) Funds provided for the Tacoma rail improvement project may be expended for preconstruction engineering.

(8) \$2,500,000 of the multimodal transportation account--state appropriation is provided solely for a rail loop at the Port of Walla Walla.

Sec. 910. 2006 c 370 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--CAPITAL

((Highway Infrastructure Account--State Appropriation	\$207,000
Highway Infrastructure Account--Federal Appropriation	\$1,602,000)
Motor Vehicle Account--Federal Appropriation	((\$48,998,000))
	\$16,734,000
Motor Vehicle Account--State Appropriation	((\$8,340,000))
	\$1,900,000
Transportation Partnership Account--State Appropriation	((\$2,008,000))
	\$694,000
((Freight Mobility Investment Account--State Appropriation	\$6,000,000
Passenger Ferry Account--State Appropriation	\$9,000,000)
Multimodal Transportation Account--State Appropriation	((\$39,403,000))
	\$21,860,000
Transportation 2003 Account (nickel account)--State Appropriation	((\$557,000))
	\$145,000
Freight Mobility Multimodal Account--State Appropriation	((\$9,700,000))
	\$1,150,000
<u>Freight Mobility Multimodal Account--Private/Local Appropriation</u>	<u>\$3,050,000</u>
<u>TOTAL APPROPRIATION</u>	<u>((\$125,815,000))</u>
	\$45,533,000

The appropriations in this section are subject to the following conditions and limitations:

(1) To manage some projects more efficiently, federal funds may be transferred from program Z to programs I and P and state funds shall be transferred from programs I and P to program Z to replace those federal funds in a dollar-for-dollar match. Fund transfers authorized under this subsection shall not affect project prioritization status. Appropriations shall initially be allotted as appropriated in this act. The department may not transfer funds as authorized under this subsection without approval of the office of financial management. The department shall submit a report on those projects receiving fund transfers to the transportation committees of the senate and house of representatives by December 1, 2006.

(2) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists distributed with this act, and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium, except for projects managed by the freight mobility strategic investment board. The department shall work with the transportation committees of the legislature to agree on report formatting and elements. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information system (TEIS).

(3) The multimodal transportation account--state appropriation includes up to \$6,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.867.

(4) \$1,545,000 of the multimodal transportation account--state appropriation is reappropriated and provided solely to fund the multiphase cooperative project with the state of Oregon to dredge the Columbia River. The amount provided in this subsection shall lapse unless the state of Oregon appropriates a dollar-for-dollar match to fund its share of the project.

(5) Up to \$206,000 of the motor vehicle account--state appropriation is reappropriated and provided (~~(solely)~~) for additional traffic and pedestrian safety improvements near schools. The highways and local programs division within the department of transportation shall administer this program. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded traffic and pedestrian safety improvement grant funds, but does not report activity on the project within one year of grant award should be reviewed by the department to determine whether the grant should be terminated. The department must promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award. The department shall expeditiously extend new grant awards to qualified projects when funds become available either because grant awards have been rescinded for lack of sufficient project activity or because completed projects returned excess grant funds upon project closeout.

(6) The motor vehicle account--state appropriation includes up to \$905,000 in unexpended proceeds from the sale of bonds authorized by RCW 47.10.843.

(7) Up to \$607,000 of the multimodal transportation account--state appropriation is reappropriated and provided (~~(solely)~~) to support the safe routes to school program.

(8) (~~(\$16,110,000)~~) Up to \$7,488,000 of the motor vehicle account--federal appropriation is provided (~~(solely)~~) for the local freight capital projects in progress identified in this subsection. The specific funding listed is provided (~~(solely)~~) for the respective projects: SR 397 Ainsworth Ave. Grade Crossing, \$4,992,000; Colville Alternate Truck Route, \$1,746,000; (~~(S. 228th Street Extension and Grade Separation, \$6,500,000; Bigelow Gulch Road-Urban Boundary to Argonne Rd., \$2,000,000; Granite Falls Alternate Route, \$122,000;~~) and Pacific Hwy. E./Port of Tacoma Road to Alexander, \$750,000.

(9) (~~(\$2,898,000)~~) Up to \$1,011,000 of the motor vehicle account--state appropriation is provided (~~(solely)~~) for the local freight capital projects in progress identified in this subsection. The specific funding listed is provided (~~(solely)~~) for the respective projects: Duwamish Intelligent Transportation Systems (ITS), (~~(\$2,382,000)~~) \$495,000; Port of Kennewick/Piert Road, \$516,000.

(10) Up to \$6,000,000 of the multimodal account--state appropriation is provided (~~(solely)~~) for the local freight 'D' street grade separation project.

(11) The department shall issue a call for pedestrian safety projects, such as safe routes to schools and transit, and bicycle and pedestrian paths. Applications must be received by the department by November 1, 2005, and November 1, 2006. The department shall identify cost-effective projects, and submit a prioritized list to the legislature for funding by December 15th of each year. Recommendations made to the legislature for safe routes to schools and bicycle and pedestrian path projects must, to the extent practicable based on available funding, allocate sixty percent of available funds to bicycle and pedestrian path projects and forty percent to safe routes to schools. Preference shall be given to projects that provide a local match.

(12) (~~(\$18,370,000)~~) Up to \$12,000,000 of the multimodal transportation account--state appropriation, (~~(\$6,000,000)~~) up to \$2,440,000 of the freight mobility multimodal account--state appropriation, and up to \$2,008,000 of the transportation partnership account--state appropriation (~~(, and \$6,000,000 of the freight mobility investment account--state appropriation)~~) are provided (~~(solely)~~) for the projects and activities as listed by fund, project and amount in LEAP Transportation Document 2006-1, Local Programs (Z) as developed March 8, 2006. However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.

(13) \$870,000 of the multimodal transportation account--state appropriation is provided solely for the Yakima Avenue, 9th Street to Front Street, pedestrian safety improvement project.

(14) Up to \$5,000,000 of the multimodal transportation account--state appropriation and up to \$2,000,000 of the motor vehicle account--federal appropriation are provided (~~(solely)~~) for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified on the LEAP Transportation Document 2006-B, Pedestrian and Bicycle Safety Program Projects and Safe Routes to Schools Program Projects as developed March 8, 2006. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award. When funds become available either because grant awards have been rescinded for lack of sufficient project activity or because completed projects returned excess grant funds upon project closeout, the department shall expeditiously extend new grant awards to qualified alternative projects identified on the list.

(15) Up to \$9,700,000 of the motor vehicle account--federal appropriation is provided (~~(solely)~~) for the intersection and corridor safety program projects as identified on the LEAP Transportation Document 2006-A, Intersection and Corridor Safety Program Projects as developed March 8, 2006.

(16) Up to \$19,500,000 of the motor vehicle account--federal appropriation is provided (~~(solely)~~) for rural county two-lane roadway pilot projects including \$7,500,000 already under contract. Any further allocations shall be prioritized by the department based on high-accident-corridor criteria. For purposes of this subsection, "high-accident-corridor" means a highway corridor of one mile or more where analysis of collision history indicates that the section has higher than average collision and severity factors.

(17) Up to \$2,500,000 of the motor vehicle account--state appropriation is provided (~~(solely)~~) for the Yakima downtown futures initiative.

(18) Up to \$810,000 of the multimodal transportation account--state appropriation is provided (~~(solely)~~) for the projects identified in this subsection: Des Moines creek trail, \$250,000; SR 282 to Port of Ephrata connector, \$385,000; Mount Baker Ridge viewpoint, \$175,000.

(~~(20)~~) (19) Up to \$688,000 of the motor vehicle account--federal appropriation is provided (~~(solely)~~) for completion of the Coal Creek Parkway project.

(~~(21)~~) \$9,000,000 of the passenger ferry account--state appropriation is provided solely for the implementation of the passenger-only ferry grant program created in Substitute Senate Bill No. 6787. If Substitute Senate Bill No. 6787 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.)

(20) \$827,000 of the motor vehicle account--federal appropriation is provided solely for the projects identified in this subsection: The Franklin county slide project, \$800,000; and the Loomis-Oroville Road guardrail replacement project, \$27,000.

(21) \$252,000 of the multimodal transportation account--state appropriation is provided solely for the Winthrop pedestrian and bike path project.

TRANSFERS AND DISTRIBUTIONS

Sec. 1001. 2006 c 370 s 401 (uncodified) is amended to read as follows:

STATE TREASURER--BOND RETIREMENT AND INTEREST FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE

Highway Bond Retirement Account Appropriation	((<u>\$334,313,000</u>))
	\$329,713,000
Nondebt-Limit Reimbursable Account Appropriation	((<u>\$6,091,000</u>))
	\$5,791,000
Ferry Bond Retirement Account Appropriation	\$38,241,000
Transportation Improvement Board Bond Retirement Account--State Appropriation	\$30,923,000
Motor Vehicle Account--State Appropriation	((<u>\$682,000</u>))
	\$782,000
Transportation Improvement Account--State Appropriation	\$120,000
Multimodal Transportation Account--State Appropriation	((<u>\$370,000</u>))
	\$390,000
Transportation 2003 Account (Nickel Account) Appropriation	\$6,600,000
Transportation Partnership Account--State Appropriation	((<u>\$1,125,000</u>))
	\$975,000
TOTAL APPROPRIATION	((<u>\$418,465,000</u>))
	<u>\$413,535,000</u>

Sec. 1002. 2006 c 370 s 402 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

Motor Vehicle Account--State Appropriation	\$248,000
Transportation Improvement Account--State Appropriation	((<u>\$13,000</u>))
	\$18,000
Multimodal Transportation Account--State Appropriation	\$35,000
Transportation 2003 Account (Nickel Account)--State Appropriation	\$2,200,000
Transportation Partnership Account--State Appropriation	\$375,000
TOTAL APPROPRIATION	((<u>\$2,871,000</u>))
	<u>\$2,876,000</u>

Sec. 1003. 2006 c 370 s 404 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account Appropriation for motor vehicle fuel tax distributions to cities and counties	((<u>\$487,612,000</u>))
	<u>\$468,391,000</u>

Sec. 1004. 2006 c 370 s 405 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

Motor Vehicle Account--State Appropriation: For motor vehicle fuel tax refunds and transfers	((<u>\$1,037,342,000</u>))
	<u>\$1,031,321,000</u>

Sec. 1005. 2006 c 370 s 406 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TRANSFERS

(1) RV Account--State Appropriation:	
For transfer to the Motor Vehicle Account--State	((<u>\$2,000,000</u>))
	<u>\$2,104,000</u>
(2) Motor Vehicle Account--State Appropriation:	
For transfer to Puget Sound Capital Construction Account--State	((<u>\$73,000,000</u>))
	<u>\$70,223,000</u>
(3) Highway Safety Account--State Appropriation:	
For transfer to the Motor Vehicle Account--State	\$5,000,000
(4) Motor Vehicle Account--State Appropriation:	
For transfer to the Puget Sound Ferry Operations Account--State	((<u>\$31,000,000</u>))
	<u>\$50,680,000</u>
(5) Motor Vehicle Account--State Appropriation:	
For transfer to the Transportation Partnership Account--State	\$33,127,000
(6) Highway Safety Account--State Appropriation:	
For transfer to the Multimodal Transportation Account--State	\$25,980,000
(7) Transportation Partnership Account--State Appropriation:	
For transfer to the Small City Pavement and Sidewalk Account--State	\$1,000,000
(8) Transportation Partnership Account--State Appropriation:	
For transfer to the Transportation Improvement Account--State	\$2,500,000
(9) Transportation Partnership Account--State Appropriation:	
For transfer to the County Arterial Preservation Account--State	\$1,500,000
(10) License Plate Technology Account--State Appropriation:	
For transfer to the Motor Vehicle Account--State	\$2,500,000
(11) Multimodal Transportation Account--State Appropriation:	
For transfer to the Transportation Partnership Account--State	\$29,417,000
(12) Motor Vehicle Account--State Appropriation:	
For transfer to the Freight Mobility Multimodal Account--State, up to a maximum of	((<u>\$3,700,000</u>))
	<u>\$3,537,000</u>

(13) Multimodal Transportation Account--State Appropriation:
 For transfer to the Tacoma Narrows Toll Bridge Account--State \$1,300,000
 (14) Multimodal Transportation Account--State Appropriation:
 For transfer to the Freight Mobility Multimodal Account--State \$4,610,000

(15) Motor Vehicle Account--State Appropriation:
For transfer to the Tacoma Narrows Toll Bridge
Account--State \$5,288,000

(16) Multimodal Transportation Account--State Appropriation: For transfer to the Transportation
Infrastructure Account--State \$11,000,000

The transfers identified in this section are subject to the following conditions and limitations:

(a) The department of transportation shall only transfer funds in subsection (2) of this section up to the level provided, on an as-needed basis.

(b) The amount transferred in subsection (12) of this section shall be the same as the Union Pacific Railroad's original contribution, adjusted for earned interest and expenditures, and shall be made on June 30, 2006.

(c) The amount transferred in subsection (14) of this section is the equivalent of the Burlington Northern Santa Fe funds advanced to the SR 519 project and shall be invested in a freight mobility project agreed to by the freight mobility strategic investment board and the BNSF railway if the final design of the SR 519 project does not include the original rail benefit.

(d) The amount transferred in subsection (13) of this section is appropriated as a nonreimbursable state financial contribution to the project and does not require repayment.

MISCELLANEOUS

Sec. 1101. RCW 46.68.060 and 1969 c 99 s 11 are each amended to read as follows:

There is hereby created in the state treasury a fund to be known as the highway safety fund to the credit of which shall be deposited all moneys directed by law to be deposited therein. This fund shall be used for carrying out the provisions of law relating to driver licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records and maintaining such case records, and to carry out the purposes set forth in RCW 43.59.010. During the 2005-2007 fiscal biennium, the legislature may transfer from the highway safety fund to the motor vehicle fund and the multimodal transportation account such amounts as reflect the excess fund balance of the highway safety fund.

NEW SECTION. Sec. 1102. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 1103. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

On page 1, line 1 of the title, after "appropriations;" strike the remainder of the title and insert "amending RCW 46.68.170, 47.29.170, 46.16.685, 47.01.390, 88.16.090, 47.12.244, 70.95.521, and 46.68.060; amending 2006 c 53 s 2 (uncodified); amending 2006 c 370 ss 205, 208, 209, 210, 215, 218, 224, 226, 227, 228, 229, 301, 302, 303, 304, 305, 306, 307, 308, 309, 401, 402, 404, 405, and 406 (uncodified); amending 2005 c 313 s 301 (uncodified); adding new sections to 2005 c 313 (uncodified); creating new sections; making appropriations and authorizing expenditures for capital improvements; and declaring an emergency."

as the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House refused to concur in the Senate amendment(s) to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1094 and asked the Senate for a conference thereon. The Speaker (Representative Lovick presiding) appointed the following members as Conferees: Representatives Clibborn, Flannigan and Jarrett.

SIGNED BY THE SPEAKER

The Speaker signed:

SUBSTITUTE HOUSE BILL NO. 1138,
HOUSE BILL NO. 1450,
HOUSE BILL NO. 1598,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1833,
SUBSTITUTE HOUSE BILL NO. 1965,
ENGROSSED HOUSE BILL NO. 2070,
SUBSTITUTE SENATE BILL NO. 6141,

MESSAGE FROM THE SENATE

April 17, 2007

Mr. Speaker:

The Senate insists on its position to HOUSE BILL NO. 1051 and asks the House to concur, as the same is herewith transmitted.

Thomas Hoemann, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House insisted on its position regarding the Senate amendments to HOUSE BILL NO. 1051 and again asked the Senate to recede therefrom.

MESSAGE FROM THE SENATE

April 18, 2007

Mr. Speaker:

The Senate receded from its amendment to SUBSTITUTE HOUSE BILL NO. 1041. Under suspension of the rules the bill was returned to second reading for purpose of amendment. The Senate adopted the following amendment and passed the bill as amended by the Senate:

Beginning on page 3, line 19, strike all of section 5 and insert the following:

"**NEW SECTION. Sec. 5.** A new section is added to chapter 23B.10 RCW to read as follows:

(1) Unless the articles of incorporation (a) specifically prohibit the adoption of a bylaw pursuant to this section, (b) alter the vote specified in RCW 23B.07.280(2), or (c) allow for or do not exclude cumulative voting, a public company may elect in its bylaws to be governed in the election of directors as follows:

(i) Each vote entitled to be cast may be voted for, voted against, or withheld for one or more candidates up to that number of candidates that is equal to the number of directors to be elected but without cumulating the votes, or a shareholder may indicate an abstention for one or more candidates;

(ii) To be elected, a candidate must have received the number, percentage, or level of votes specified in the bylaws; provided that holders of shares entitled to vote in the election and constituting a quorum are present at the meeting. Except in a contested election as provided in (c)(v) of this subsection, a candidate who does not receive the number, percentage, or level of votes specified in the bylaws but who was a director at the time of the election shall continue to serve as a director for a term that shall terminate on the date that is the earlier of (A) the date specified in the bylaw, but not longer than ninety days from the date on which the voting results are determined pursuant to section 6(2) of this act, or (B) the date on which an individual is selected by the board of directors to fill the

office held by such director, which selection shall be deemed to constitute the filling of a vacancy by the board to which RCW 23B.08.100 applies;

(iii) A bylaw adopted pursuant to this section may provide that votes cast against and/or withheld as to a candidate are to be taken into account in determining whether the number, percentage, or level of votes required for election has been received. Unless the bylaw specifies otherwise, only votes cast are to be taken into account and a ballot marked "withheld" in respect to a share is deemed to be a vote cast. Unless the bylaws specify otherwise, shares otherwise present at the meeting but for which there is an abstention or as to which no authority or direction to vote in the election is given or specified, are not deemed to be votes cast in the election;

(iv) The board of directors may select any qualified individual to fill the office held by a director who did not receive the specified vote for election referenced in (c)(ii) of this subsection; and

(v) Unless the bylaw specifies otherwise, a bylaw adopted pursuant to this subsection (1) shall not apply to an election of directors by a voting group if (A) at the expiration of the time fixed under a provision requiring advance notification of director candidates, or (B) absent such a provision, at a time fixed by the board of directors which is not more than fourteen days before notice is given of the meeting at which the election is to occur, there are more candidates for election by the voting group than the number of directors to be elected, one or more of whom are properly proposed by shareholders. An individual shall not be considered a candidate for purposes of this subsection (1)(c)(v) if the board of directors determines before the notice of meeting is given that such individual's candidacy does not create a bona fide election contest.

(2) A bylaw containing an election to be governed by this section may be repealed or amended:

(a) If originally adopted by the shareholders, only by the shareholders, unless the bylaw otherwise provides; or

(b) If adopted by the board of directors, by the board of directors or the shareholders."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1041 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Pedersen spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1041, as amended by the Senate.

MOTION

On motion of Representative Santos, Representative Eickmeyer was excused.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1041, as amended by the Senate and the bill passed the House by the following vote: Yeas - 94, Nays - 3, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, Dickerson, Dunshee, Eddy, Ericks, Ericksen,

Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 94.

Voting nay: Representatives Alexander, DeBolt and Dunn - 3.

Excused: Representative Eickmeyer - 1.

SUBSTITUTE HOUSE BILL NO. 1041, as amended by the Senate having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 18, 2007

Mr. Speaker:

The Senate receded from its amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1573. Under suspension of the rules the bill was returned to second reading for purpose of amendment. The Senate adopted the following amendment and passed the bill as amended by the Senate:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. It is the intent of the legislature that increasing academic success and increasing graduation rates be dual goals for the K-12 system. The legislature finds that only seventy-four percent of the class of 2005 graduated on time. Students of color, students living in poverty, students in foster care, students in the juvenile justice system, students who are homeless, students for whom English is not their primary language, and students with disabilities have lower graduation rates than the average. The legislature further finds that students who drop out experience more frequent occurrences of early pregnancy, delinquency, substance abuse, and mental health issues, and have greater need of publicly funded health and social services. The legislature further finds that helping all students be successful in school requires active participation in coordinating services from schools, parents, and other stakeholders and agencies in the local community. The legislature finds that existing resources to vulnerable youth are used more efficiently and effectively when there is significant coordination across local and state entities. The legislature further finds that efficiency and accountability of the K-12 system would be improved by creating a dropout prevention and intervention grant program that implements research-based and emerging best practices and evaluates results.

NEW SECTION. Sec. 2. Subject to the availability of funds appropriated for this purpose, the office of the superintendent of public instruction shall create a grant program and award grants to local partnerships of schools, families, and communities to begin the phase in of a statewide comprehensive dropout prevention, intervention, and retrieval system. This program shall be known as the building bridges program.

(1) For purposes of sections 2 through 7 of this act, a "building bridges program" means a local partnership of schools, families, and communities that provides all of the following programs or activities:

(a) A system that identifies individual students at risk of dropping out from middle through high school based on local predictive data, including state assessment data starting in the fourth grade, and provides timely interventions for such students and for

dropouts, including a plan for educational success as already required by the student learning plan as defined under RCW 28A.655.061. Students identified shall include foster care youth, youth involved in the juvenile justice system, and students receiving special education services under chapter 28A.155 RCW;

(b) Coaches or mentors for students as necessary;

(c) Staff responsible for coordination of community partners that provide a seamless continuum of academic and nonacademic support in schools and communities;

(d) Retrieval or reentry activities; and

(e) Alternative educational programming, including, but not limited to, career and technical education exploratory and preparatory programs and online learning opportunities.

(2) One of the grants awarded under this section shall be for a two-year demonstration project focusing on providing fifth through twelfth grade students with a program that utilizes technology and is integrated with state standards, basic academics, cross-cultural exposures, and age-appropriate preemployment training. The project shall:

(a) Establish programs in two western Washington and one eastern Washington urban areas;

(b) Identify at-risk students in each of the distinct communities and populations and implement strategies to close the achievement gap;

(c) Collect and report data on participant characteristics and outcomes of the project, including the characteristics and outcomes specified under section 3(1)(e) of this act; and

(d) Submit a report to the legislature by December 1, 2009.

NEW SECTION. Sec. 3. (1) The office of the superintendent of public instruction shall:

(a) Identify criteria for grants and evaluate proposals for funding in consultation with the workforce training and education coordinating board;

(b) Develop and monitor requirements for grant recipients to:

(i) Identify students who both fail the Washington assessment of student learning and drop out of school;

(ii) Identify their own strengths and gaps in services provided to youth;

(iii) Set their own local goals for program outcomes;

(iv) Use research-based and emerging best practices that lead to positive outcomes in implementing the building bridges program; and

(v) Coordinate an outreach campaign to bring public and private organizations together and to provide information about the building bridges program to the local community;

(c) In setting the requirements under (b) of this subsection, encourage creativity and provide for flexibility in implementing the local building bridges program;

(d) Identify and disseminate successful practices;

(e) Develop requirements for grant recipients to collect and report data, including, but not limited to:

(i) The number of and demographics of students served including, but not limited to, information regarding a student's race and ethnicity, a student's household income, a student's housing status, whether a student is a foster youth or youth involved in the juvenile justice system, whether a student is disabled, and the primary language spoken at a student's home;

(ii) Washington assessment of student learning scores;

(iii) Dropout rates;

(iv) On-time graduation rates;

(v) Extended graduation rates;

(vi) Credentials obtained;

(vii) Absenteeism rates;

(viii) Truancy rates; and

(ix) Credit retrieval;

(f) Contract with a third party to evaluate the infrastructure and implementation of the partnership including the leveraging of outside resources that relate to the goal of the partnership. The third-party contractor shall also evaluate the performance and effectiveness of the partnerships relative to the type of entity, as identified in section 4 of this act, serving as the lead agency for the partnership; and

(g) Report to the legislature by December 1, 2008.

(2) In performing its duties under this section, the office of the superintendent of public instruction is encouraged to consult with the work group identified in section 7 of this act.

NEW SECTION. Sec. 4. In awarding the grants under section 2 of this act, the office of the superintendent of public instruction shall prioritize schools or districts with dropout rates above the statewide average and shall attempt to award building bridges program grants to different geographic regions of the state. Eligible recipients shall be one of the following entities acting as a lead agency for the local partnership: A school district, a tribal school, an area workforce development council, an educational service district, an accredited institution of higher education, a vocational skills center, a federally recognized tribe, a community organization, or a nonprofit 501(c)(3) corporation. If the recipient is not a school district, at least one school district must be identified within the partnership. The superintendent of public instruction shall ensure that grants are distributed proportionately between school districts and other recipients. This requirement may be waived if the superintendent of public instruction finds that the quality of the programs or applications from these entities does not warrant the awarding of the grants proportionately.

NEW SECTION. Sec. 5. To be eligible for a grant under section 2 of this act, grant applicants shall:

(1) Build or demonstrate a commitment to building a broad-based partnership of schools, families, and community members to provide an effective and efficient building bridges program. The partnership shall consider an effective model for school-community partnerships and include local membership from, but not limited to, school districts, tribal schools, secondary career and technical education programs, skill centers that serve the local community, an educational service district, the area workforce development council, accredited institutions of higher education, tribes or other cultural organizations, the parent teacher association, the juvenile court, prosecutors and defenders, the local health department, health care agencies, public transportation agencies, local division representatives of the department of social and health services, businesses, city or county government agencies, civic organizations, and appropriate youth-serving community-based organizations. Interested parents and students shall be actively included whenever possible;

(2) Demonstrate how the grant will enhance any dropout prevention and intervention programs and services already in place in the district;

(3) Provide a twenty-five percent match that may include in-kind resources from within the partnership;

(4) Track and report data required by the grant; and

(5) Describe how the dropout prevention, intervention, and retrieval system will be sustained after initial funding, including roles of each of the partners.

NEW SECTION. Sec. 6. (1) Educational service districts, in collaboration with area workforce development councils, shall:

(a) Provide technical assistance to local partnerships established under a grant awarded under section 2 of this act in collecting and using performance data; and

(b) At the request of a local partnership established under a grant awarded under section 2 of this act, provide assistance in the development of a functional sustainability plan, including the identification of potential funding sources for future operation.

(2) Local partnerships established under a grant awarded under section 2 of this act may contract with an educational service district, workforce development council, or a private agency for specialized training in such areas as cultural competency, identifying diverse learning styles, and intervention strategies for students at risk of dropping out of school.

NEW SECTION. Sec. 7. (1) The office of the superintendent of public instruction shall establish a state-level work group that includes K-12 and state agencies that work with youth who have dropped out or are at risk of dropping out of school. The state-level leadership group shall consist of one representative from each of the

following agencies and organizations: The workforce training and education coordinating board; career and technical education including skill centers; relevant divisions of the department of social and health services; the juvenile courts; the Washington association of prosecuting attorneys; the Washington state office of public defense; the employment security department; accredited institutions of higher education; the educational service districts; the area workforce development councils; parent and educator associations; the department of health; local school districts; agencies or organizations that provide services to special education students; community organizations serving youth; federally recognized tribes and urban tribal centers; each of the major political caucuses of the senate and house of representatives; and the minority commissions.

(2) To assist and enhance the work of the building bridges programs established in section 5 of this act, the state-level work group shall:

(a) Identify and make recommendations to the legislature for the reduction of fiscal, legal, and regulatory barriers that prevent coordination of program resources across agencies at the state and local level;

(b) Develop and track performance measures and benchmarks for each partner agency or organization across the state including performance measures and benchmarks based on student characteristics and outcomes specified in section 3(1)(e) of this act; and

(c) Identify research-based and emerging best practices regarding prevention, intervention, and retrieval programs.

(3) The work group shall report to the legislature and the governor on an annual basis beginning December 1, 2007, with recommendations for implementing emerging best practices, needed additional resources, and eliminating barriers.

NEW SECTION. Sec. 8. (1) During the 2007-2009 biennium, school districts that contract with eligible alternative educational service providers to provide education programs, including GED preparation, that generate course credits towards high school graduation, for students who are at risk of dropping out of school, or who have dropped out of school, may continue to use allocations under RCW 28A.150.250 to fund contracts with those providers. For purposes of this section, "eligible alternative educational service providers" includes community and technical colleges and community-based organizations that meet all state requirements for receiving state K-12 formula allocations. Students attending these programs will be considered full-time equivalent students if they are enrolled in programming totaling at least twenty-five hours per week. A student will not be considered enrolled if their consecutive days of absence from school exceed twenty school days and attendance has not resumed.

(2) All school districts with contracts with eligible alternative educational service providers shall provide information to the office of the superintendent of public instruction including, but not limited to: (a) The number of students enrolled in those programs; (b) the amount of weekly instructional hours provided; (c) the location of the instruction program provided; and (d) the number and types of staff providing the instruction in the programs. By December 1, 2008, the office of the superintendent of public instruction shall submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the information provided by the school districts pursuant to this subsection.

(3) The state-level work group established under section 7 of this act shall examine issues related to school districts' use of basic education allocations under this section including, but not limited to, findings or other relevant communications by the state auditor. The work group shall develop recommendations and submit a report to the appropriate legislative committees by December 1, 2009.

NEW SECTION. Sec. 9. Sections 2 through 7 of this act are each added to chapter 28A.175 RCW.

NEW SECTION. Sec. 10. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void."

On page 1, line 1 of the title, after "retrieval;" strike the remainder of the title and insert "adding new sections to chapter 28A.175 RCW; creating new sections; and providing an expiration date."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1573 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives P. Sullivan and Priest spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 1573, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1573, as amended by the Senate and the bill passed the House by the following vote: Yeas - 93, Nays - 4, Absent - 0, Excused - 1.

Voting yea: Representatives Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 93.

Voting nay: Representatives Ahern, Chandler, Dunn and Orcutt - 4.

Excused: Representative Eickmeyer - 1.

SECOND SUBSTITUTE HOUSE BILL NO. 1573, as amended by the Senate having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 17, 2007

Mr. Speaker:

The Senate receded from its amendment to SUBSTITUTE HOUSE BILL NO. 1694. Under suspension of the rules the bill was returned to second reading for purpose of amendment. The Senate adopted the following amendment and passed the bill as amended by the Senate:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 47.06B.010 and 1999 c 385 s 1 are each amended to read as follows:

The legislature finds that transportation systems for persons with special needs are not operated as efficiently as possible. In ~~((some))~~ too many cases, programs established by the legislature to assist persons with special needs can not be accessed due to these inefficiencies and coordination barriers.

It is the intent of the legislature that public transportation agencies, pupil transportation programs, private nonprofit transportation providers, and other public agencies sponsoring programs that require transportation services coordinate those transportation services. Through coordination of transportation services, programs will achieve increased efficiencies and will be able to provide more rides to a greater number of persons with special needs.

Sec. 2. RCW 47.06B.020 and 1998 c 173 s 2 are each amended to read as follows:

(1) The agency council on coordinated transportation is created. The council is composed of ~~((nine))~~ ten voting members and ~~((eight))~~ four nonvoting, legislative members.

(2) The ~~((nine))~~ ten voting members are the superintendent of public instruction or a designee, the secretary of transportation or a designee, the secretary of the department of social and health services or a designee, and ~~((six))~~ seven members appointed by the governor as follows:

(a) One representative from the office of the governor;

(b) ~~((Two))~~ Three persons who are consumers of special needs transportation services, which must include:

(i) One person designated by the executive director of the governor's committee on disability issues and employment; and

(ii) One person who is designated by the executive director of the developmental disabilities council;

(c) One representative from the Washington association of pupil transportation;

(d) One representative from the Washington state transit association; and

(e) One of the following:

(i) A representative from the community transportation association of the Northwest; or

(ii) A representative from the community action council association.

(3) The ~~((eight))~~ four nonvoting members are legislators as follows:

(a) ~~((Four))~~ Two members from the house of representatives, ~~((two))~~ one from each of the two largest caucuses, appointed by the speaker of the house of representatives, ~~((two who are members of))~~ including at least one member from the house transportation policy and budget committee ((and two who are members of)) or the house appropriations committee; and

(b) ~~((Four))~~ Two members from the senate, ~~((two))~~ one from each of the two largest caucuses, appointed by the president of the senate, ~~((two members of))~~ including at least one member from the senate transportation committee ((and two members of)) or the senate ways and means committee.

(4) Gubernatorial appointees of the council will serve two-year terms. Members may not receive compensation for their service on the council, but will be reimbursed for actual and necessary expenses incurred in performing their duties as members as set forth in RCW 43.03.220.

(5) The secretary of transportation or a designee shall serve as the chair.

(6) The department of transportation shall provide necessary staff support for the council.

(7) The council may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the council and spend gifts, grants, or endowments or income from the public or private sources according to their terms, unless the receipt of the gifts, grants, or endowments violates RCW 42.17.710.

(8) The meetings of the council must be open to the public, with the agenda published in advance, and minutes kept and made available to the public. The public notice of the meetings must

indicate that accommodations for persons with disabilities will be made available upon request.

(9) All meetings of the council must be held in locations that are readily accessible to public transportation, and must be scheduled for times when public transportation is available.

(10) The council shall make an effort to include presentations by and work sessions including persons with special transportation needs.

Sec. 3. RCW 47.06B.030 and 1999 c 385 s 5 are each reenacted and amended to read as follows:

(1) To assure implementation of ~~(the Program for)~~ an effective system of coordinated transportation that meets the needs of persons with special transportation needs, the agency council on coordinated transportation ~~(the council, in coordination with stakeholders,)~~ shall adopt a biennial work plan that must, at a minimum:

~~((1) Develop guidelines for local planning of coordinated transportation in accordance with this chapter;~~

~~(2) Initiate local planning processes by contacting the board of commissioners and county councils in each county and encouraging them to convene local planning forums for the purpose of implementing special needs coordinated transportation programs at the community level;~~

~~(3) Work with local community forums to designate a local lead organization that shall cooperate and coordinate with private and nonprofit transportation brokers and providers, local public transportation agencies, local governments, and user groups;~~

~~(4) Provide a forum at the state level in which state agencies will discuss and resolve coordination issues and program policy issues that may impact transportation coordination and costs;~~

~~(5) Provide guidelines for state agencies to use in creating policies, rules, or procedures to encourage the participation of their constituents in community-based planning and coordination, in accordance with this chapter;~~

~~(6) Facilitate state-level discussion and action on problems and barriers identified by the local forums that can only be resolved at either the state or federal level;~~

~~(7) Develop and test models for determining the impacts of facility siting and program policy decisions on transportation costs;~~

~~(8) Develop methodologies and provide support to local and state agencies in identifying transportation costs;~~

~~(9) Develop guidelines for setting performance measures and evaluating performance;~~

~~(10) Develop monitoring reporting criteria and processes to assess state and local level of participation with this chapter;~~

~~(11) Administer and manage grant funds to develop, test, and facilitate the implementation of coordinated systems;~~

~~(12) Develop minimum standards for safety, driver training, and vehicles, and provide models for processes and technology to support coordinated service delivery systems;~~

~~(13) Provide a clearinghouse for sharing information about transportation coordination best practices and experiences;~~

~~(14) Promote research and development of methods and tools to improve the performance of transportation coordination in the state;~~

~~(15) Provide technical assistance and support to communities;~~

~~(16) Facilitate, monitor, provide funding as available, and give technical support to local planning processes;~~

~~(17) Form, convene, and give staff support to stakeholder work groups as needed to continue work on removing barriers to coordinated transportation;~~

~~(18) Advocate for the coordination of transportation for people with special transportation needs at the federal, state, and local levels;~~

~~(19) Recommend to the legislature changes in laws to assist coordination of transportation services;~~

~~(20) Petition the office of financial management to make whatever changes are deemed necessary to identify transportation costs in all executive agency budgets;~~

~~(21) Report to the legislature by December 1, 2000, on council activities including, but not limited to, the progress of community planning processes, what demonstration projects have been undertaken, how coordination affected service levels, and whether these efforts produced savings that allowed expansion of services.~~

~~Reports must be made once every two years thereafter, and other times as the council deems necessary))~~

~~(a) Focus on projects that identify and address barriers in laws, policies, and procedures;~~

~~(b) Focus on results; and~~

~~(c) Identify and advocate for transportation system improvements for persons with special transportation needs.~~

~~(2) The council shall, as necessary, convene work groups at the state, regional, or local level to develop and implement coordinated approaches to special needs transportation.~~

~~(3) To improve the service experienced by persons with special transportation needs, the council shall develop statewide guidelines for customer complaint processes so that information about policies regarding the complaint processes is available consistently and consumers are appropriately educated about available options. To be eligible for funding on or after January 1, 2008, organizations applying for state paratransit/special needs grants as described in section 226(1), chapter 370, Laws of 2006 must implement a process following the guidelines established by the council.~~

~~(4) The council shall represent the needs and interests of persons with special transportation needs in statewide efforts for emergency and disaster preparedness planning by advising the emergency management council on how to address transportation needs for high-risk individuals during and after disasters.~~

Sec. 4. RCW 47.06B.040 and 1999 c 385 s 6 are each amended to read as follows:

~~((The council may request, and may require as a condition of receiving coordination grants, selected county governments to convene local planning forums and invite participation of all entities, including tribal governments, that serve or transport persons with special transportation needs. Counties are encouraged to coordinate and combine their forums and planning processes with other counties, as they find it appropriate. The local community forums must:~~

~~(1) Designate a lead organization to facilitate the community planning process on an ongoing basis;~~

~~(2) Identify functional boundaries for the local coordinated transportation system;~~

~~(3) Clarify roles and responsibilities of the various participants;~~

~~(4) Identify community resources and needs;~~

~~(5) Prepare a plan for developing a coordinated transportation system that meets the intent of this chapter, addresses community needs, and efficiently uses community resources to address unmet needs;~~

~~(6) Implement the community coordinated transportation plan;~~

~~(7) Develop performance measures consistent with council guidelines;~~

~~(8) Develop a reporting process consistent with council guidelines;~~

~~(9) Raise issues and barriers to the council when resolution is needed at either the state or federal level;~~

~~(10) Develop a process for open discussion and input on local policy and facility siting decisions that may have an impact on the special needs transportation costs and service delivery of other programs and agencies in the community-))~~

~~The agency council on coordinated transportation shall review and recommend certification of local plans developed by regional transportation planning organizations based on meeting federal requirements. Each regional transportation planning organization must submit to the council an updated plan that includes the elements, consistent with federal planning requirements, identified by the council beginning on July 1, 2007, and every four years thereafter.~~

~~Each regional transportation planning organization must submit to the council every two years a prioritized regional human service and transportation project list.~~

Sec. 5. RCW 47.80.023 and 1998 c 171 s 8 are each amended to read as follows:

Each regional transportation planning organization shall have the following duties:

(1) Prepare and periodically update a transportation strategy for the region. The strategy shall address alternative transportation modes and transportation demand management measures in regional corridors and shall recommend preferred transportation policies to implement adopted growth strategies. The strategy shall serve as a guide in preparation of the regional transportation plan.

(2) Prepare a regional transportation plan as set forth in RCW 47.80.030 that is consistent with county-wide planning policies if such have been adopted pursuant to chapter 36.70A RCW, with county, city, and town comprehensive plans, and state transportation plans.

(3) Certify by December 31, 1996, that the transportation elements of comprehensive plans adopted by counties, cities, and towns within the region reflect the guidelines and principles developed pursuant to RCW 47.80.026, are consistent with the adopted regional transportation plan, and, where appropriate, conform with the requirements of RCW 36.70A.070.

(4) Where appropriate, certify that county-wide planning policies adopted under RCW 36.70A.210 and the adopted regional transportation plan are consistent.

(5) Develop, in cooperation with the department of transportation, operators of public transportation services and local governments within the region, a six-year regional transportation improvement program which proposes regionally significant transportation projects and programs and transportation demand management measures. The regional transportation improvement program shall be based on the programs, projects, and transportation demand management measures of regional significance as identified by transit agencies, cities, and counties pursuant to RCW 35.58.2795, 35.77.010, and 36.81.121, respectively. The program shall include a priority list of projects and programs, project segments and programs, transportation demand management measures, and a specific financial plan that demonstrates how the transportation improvement program can be funded. The program shall be updated at least every two years for the ensuing six-year period.

(6) Designate a lead planning agency to coordinate preparation of the regional transportation plan and carry out the other responsibilities of the organization. The lead planning agency may be a regional organization, a component county, city, or town agency, or the appropriate Washington state department of transportation district office.

(7) Review level of service methodologies used by cities and counties planning under chapter 36.70A RCW to promote a consistent regional evaluation of transportation facilities and corridors.

(8) Work with cities, counties, transit agencies, the department of transportation, and others to develop level of service standards or alternative transportation performance measures.

(9) Submit to the agency council on coordinated transportation, as provided in chapter 47.06B RCW, beginning on July 1, 2007, and every four years thereafter, an updated plan that includes the elements identified by the council. Each regional transportation planning organization must submit to the council every two years a prioritized regional human service and transportation project list.

NEW SECTION. Sec. 6. A new section is added to chapter 47.06B RCW to read as follows:

The agency council on coordinated transportation shall submit a progress report on council activities to the legislature by December 1, 2009, and every other year thereafter. The report must describe the council's progress in attaining the applicable goals identified in the council's biennial work plan and highlight any problems encountered in achieving these goals. The information will be reported in a form established by the council.

NEW SECTION. Sec. 7. (1) The joint transportation committee, in consultation with the agency council on coordinated transportation and the joint legislative audit and review committee, as deemed appropriate by the committee, shall conduct a study and review the legal and programmatic changes and best practices necessary for effective coordination of transportation services at the regional level for persons with special transportation needs.

(2) The study shall:

(a) Include a comprehensive, statewide survey of existing transportation resources for persons with special transportation needs;

(b) Identify opportunities for improving coordination by determining a uniform system of:

(i) Measuring and reporting trip costs;

(ii) Provider billing practices;

(iii) Provider agreements and reporting requirements; and

(iv) Sharing eligibility information and trip requirements; and

(c) Make recommendations for:

(i) Improving access to customer services;

(ii) Integrating services of transportation service providers and brokers; and

(iii) Best practices to effectively coordinate transportation services for persons with special transportation needs.

(3) In conducting the study, the committee shall:

(a) Convene one or more meetings to consult with local and regional special needs transportation providers, brokers, users of transit services, representatives of nonprofit organizations that provide related transportation services, including hopelink, and representatives of other agencies and organizations, including the department of social and health services;

(b) Identify federal funding and related program barriers to improved coordination between state and federal programs and to reasonable cost sharing for those programs;

(c) Review and consider other relevant model coordinated special needs transportation systems throughout the nation as a source of best practices for Washington state, including the ACCESS transportation system in Pittsburgh, Pennsylvania;

(d) Evaluate using nontraditional service providers, such as public utility districts;

(e) Evaluate methods to influence facility siting decisions for state agencies serving persons with special transportation needs in order to make facilities accessible; and

(f) Evaluate appropriate standards and strategies for a decentralized broker system, including the state's role in this system.

(4) The committee shall provide a draft final report to the transportation committees of the senate and the house of representatives by December 15, 2008.

Sec. 8. RCW 47.06B.900 and 1999 c 385 s 7 are each amended to read as follows:

The agency council on coordinated transportation is terminated on June 30, ~~((2007))~~ 2010, as provided in RCW 47.06B.901.

Sec. 9. RCW 47.06B.901 and 1999 c 385 s 8 are each amended to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, ~~((2008))~~ 2011:

(1) RCW 47.06B.010 and 2007 c ... s 1 (section 1 of this act), 1999 c 385 s 1, & 1998 c 173 s 1;

(2) RCW 47.06B.012 and 1999 c 385 s 2;

(3) ~~((RCW 47.06B.015 and 1999 c 385 s 3; and~~

~~((4)))~~ RCW 47.06B.020 and ~~((1999 c 385 s 4))~~ 2007 c ... s 2 (section 2 of this act) & 1998 c 173 s 2;

~~((5)))~~ (4) RCW 47.06B.030 and 2007 c ... s 3 (section 3 of this act), 1999 c 385 s 5, & 1998 c 173 s 3; ~~((and~~

~~((6)))~~ (5) RCW 47.06B.040 and 2007 c ... s 4 (section 4 of this act) & 1999 c 385 s 6; and

~~((6))~~ Section 6 of this act.

NEW SECTION. Sec. 10. 1999 c 372 s 13 is repealed.

NEW SECTION. Sec. 11. RCW 47.06B.015 (Program for Agency Coordinated Transportation) and 1999 c 385 s 3 are each repealed."

On page 1, line 2 of the title, after "transportation;" strike the remainder of the title and insert "amending RCW 47.06B.010, 47.06B.020, 47.06B.040, 47.80.023, 47.06B.900, and 47.06B.901; reenacting and amending RCW 47.06B.030; adding a new section to chapter 47.06B RCW; creating a new section; repealing RCW 47.06B.015; and repealing 1999 c 372 s 13."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1694 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Flannigan and Jarrett spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1694, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1694, as amended by the Senate and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 97.

Excused: Representative Eickmeyer - 1.

SUBSTITUTE HOUSE BILL NO. 1694, as amended by the Senate having received the constitutional majority, was declared passed.

There being no objection, the House immediately reconsidered the vote by which SUBSTITUTE HOUSE BILL NO. 1041 passed the House as amended by the Senate.

The Speaker (Representative Lovick presiding) stated the question before the House to be the vote by which Substitute House Bill No. 1041 passed the House as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1041, as amended by the Senate and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman,

Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1041, as amended by the Senate having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 17, 2007

Mr. Speaker:

The Senate refuses to concur in the House amendment to SUBSTITUTE SENATE BILL NO. 5830 and asks the House to recede therefrom, and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the rules were suspended and SUBSTITUTE SENATE BILL NO. 5830 was returned to second reading for purpose of amendment.

SECOND READING

SUBSTITUTE SENATE BILL NO. 5830, By Senate Committee on Human Services & Corrections (originally sponsored by Senators Kauffman, Brown, Rasmussen, Keiser, Kohl-Welles, McAuliffe and Shin)

Providing home visitation services for families.

Representative Kagi moved the adoption of amendment (882):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 43.121 RCW to read as follows:

The legislature finds that:

(1) The years from birth to three are critical in building the social, emotional, and cognitive developmental foundations of a young child. Research into the brain development of young children reveals that children are born learning.

(2) The farther behind children are in their social, emotional, physical, and cognitive development, the more difficult it will be for them to catch up.

(3) A significant number of children age birth to five years are born with two or more of the following risk factors and have a greater chance of failure in school and beyond: Poverty; single or no parent; no parent employed full time or full year; all parents with disability; and mother without a high school degree.

(4) Parents and children involved in home visitation programs exhibit better birth outcomes, enhanced parent and child interactions, more efficient use of health care services, enhanced child development including improved school readiness, and early detection of developmental delays, as well as reduced welfare dependence, higher rates of school completion and job retention, reduction in frequency and severity of maltreatment, and higher rates of school graduation.

The legislature intends to promote the use of voluntary home visitation services to families as an early intervention strategy to

alleviate the effect on child development of factors such as poverty, single parenthood, parental unemployment or underemployment, parental disability, or parental lack of a high school diploma, which research shows are risk factors for child abuse and neglect and poor educational outcomes.

NEW SECTION. Sec. 2. A new section is added to chapter 43.121 RCW to read as follows:

The definitions in this section apply throughout sections 1 through 4 of this act unless the context clearly requires otherwise.

(1) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population.

(2) "Home visitation" means providing services in the permanent or temporary residence, or in other familiar surroundings, of the family receiving such services.

(3) "Research-based" means a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.

NEW SECTION. Sec. 3. A new section is added to chapter 43.121 RCW to read as follows:

(1) Within available funds, the children's trust of Washington shall fund evidence-based and research-based home visitation programs for improving parenting skills and outcomes for children. Home visitation programs must be voluntary and must address the needs of families to alleviate the effect on child development of factors such as poverty, single parenthood, parental unemployment or underemployment, parental disability, or parental lack of high school diploma, which research shows are risk factors for child abuse and neglect and poor educational outcomes.

(2) The children's trust of Washington shall develop a plan with the department of social and health services, the department of health, the department of early learning, and the family policy council to coordinate or consolidate home visitation services for children and families and report to the appropriate committees of the legislature by December 1, 2007, with their recommendations for implementation of the plan.

NEW SECTION. Sec. 4. A new section is added to chapter 43.121 RCW to read as follows:

To recognize the focus on home visitation services, the Washington council for the prevention of child abuse and neglect is hereby renamed the children's trust of Washington. All references to the Washington council for the prevention of child abuse and neglect in the Revised Code of Washington shall be construed to mean the children's trust of Washington.

NEW SECTION. Sec. 5. RCW 43.70.530 (Home visitor program) and 1998 c 245 s 75 & 1993 c 179 s 2 are each repealed."

Correct the title.

Representatives Kagi and Haler spoke in favor of the adoption of the amendment.

The amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Kagi and Haler spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5830, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5830, as amended by the House and the bill passed the House by the following vote: Yeas - 97, Nays - 1, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Solfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 97.

Voting nay: Representative Anderson - 1.

SUBSTITUTE SENATE BILL NO. 5830, as amended by the House, having received the necessary constitutional majority, was declared passed.

REPORT OF CONFERENCE COMMITTEE

April 18, 2007

Mr. Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SUBSTITUTE SENATE BILL NO. 5312, addressing the issue of stolen metal property, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment (H-3596.2/07) be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Commercial account" means a relationship between a scrap metal business and a commercial enterprise that is ongoing and properly documented under section 3 of this act.

(2) "Commercial enterprise" means a corporation, partnership, limited liability company, association, state agency, political subdivision of the state, public corporation, or any other legal or commercial entity.

(3) "Commercial metal property" means: Utility access covers; street light poles and fixtures; road and bridge guardrails; highway or street signs; water meter covers; traffic directional and control signs; traffic light signals; any metal property marked with the name of a commercial enterprise, including but not limited to a telephone, commercial mobile radio services, cable, electric, water, natural gas, or other utility, or railroad; unused or undamaged building construction materials consisting of copper pipe, tubing, or wiring, or aluminum wire, siding, downspouts, or gutters; aluminum or stainless steel fence panels made from one inch tubing, forty-two inches high with four inch gaps; aluminum decking, bleachers, or risers; historical markers; statue plaques; grave markers and funeral vases; or agricultural irrigation wheels, sprinkler heads, and pipes.

(4) "Nonferrous metal property" means metal property for which the value of the metal property is derived from the property's content

of copper, brass, aluminum, bronze, lead, zinc, nickel, and their alloys. "Nonferrous metal property" does not include precious metals.

(5) "Precious metals" means gold, silver, and platinum.

(6) "Record" means a paper, electronic, or other method of storing information.

(7) "Scrap metal business" means a scrap metal supplier, scrap metal recycling center, and scrap metal processor.

(8) "Scrap metal processor" means a person with a current business license that conducts business from a permanent location, that is engaged in the business of purchasing or receiving nonferrous metal property and commercial metal property for the purpose of altering the metal in preparation for its use as feedstock in the manufacture of new products, and that maintains a hydraulic bailer, shearing device, or shredding device for recycling.

(9) "Scrap metal recycling center" means a person with a current business license that is engaged in the business of purchasing or receiving nonferrous metal property and commercial metal property for the purpose of aggregation and sale to another scrap metal business and that maintains a fixed place of business within the state.

(10) "Scrap metal supplier" means a person with a current business license that is engaged in the business of purchasing or receiving nonferrous metal property for the purpose of aggregation and sale to a scrap metal recycling center or scrap metal processor and that does not maintain a fixed business location in the state.

(11) "Transaction" means a pledge, or the purchase of, or the trade of any item of nonferrous metal property by a scrap metal business from a member of the general public. "Transaction" does not include donations or the purchase or receipt of nonferrous metal property by a scrap metal business from a commercial enterprise, from another scrap metal business, or from a duly authorized employee or agent of the commercial enterprise or scrap metal business.

NEW SECTION. Sec. 2. RECORDS REQUIRED FOR PURCHASING NONFERROUS METAL PROPERTY FROM THE GENERAL PUBLIC. (1) At the time of a transaction, every scrap metal business doing business in this state shall produce wherever that business is conducted an accurate and legible record of each transaction involving nonferrous metal property. This record must be written in the English language, documented on a standardized form or in electronic form, and contain the following information:

(a) The signature of the person with whom the transaction is made;

(b) The time, date, location, and value of the transaction;

(c) The name of the employee representing the scrap metal business in the transaction;

(d) The name, street address, and telephone number of the person with whom the transaction is made;

(e) The license plate number and state of issuance of the license plate on the motor vehicle used to deliver the nonferrous metal property subject to the transaction;

(f) A description of the motor vehicle used to deliver the nonferrous metal property subject to the transaction;

(g) The current driver's license number or other government-issued picture identification card number of the seller or a copy of the seller's government-issued picture identification card; and

(h) A description of the predominant types of nonferrous metal property subject to the transaction, including the property's classification code as provided in the institute of scrap recycling industries scrap specifications circular, 2006, and weight, quantity, or volume.

(2) For every transaction that involves nonferrous metal property, every scrap metal business doing business in the state shall require the person with whom a transaction is being made to sign a declaration. The declaration may be included as part of the transactional record required under subsection (1) of this section, or on a receipt for the transaction. The declaration must state substantially the following:

"I, the undersigned, affirm under penalty of law that the property that is subject to this transaction is not to the best of my knowledge stolen property."

The declaration must be signed and dated by the person with whom the transaction is being made. An employee of the scrap metal

business must witness the signing and dating of the declaration and sign the declaration accordingly before any transaction may be consummated.

(3) The record and declaration required under this section must be open to the inspection of any commissioned law enforcement officer of the state or any of its political subdivisions at all times during the ordinary hours of business, or at reasonable times if ordinary hours of business are not kept, and must be maintained wherever that business is conducted for one year following the date of the transaction.

NEW SECTION. Sec. 3. REQUIREMENTS FOR PURCHASING OR RECEIVING NONFERROUS METAL PROPERTY FROM THE GENERAL PUBLIC. (1) No scrap metal business may enter into a transaction to purchase or receive nonferrous metal property from any person who cannot produce at least one piece of current government-issued picture identification, including a valid driver's license or identification card issued by any state.

(2) No scrap metal business may purchase or receive commercial metal property unless the seller: (a) Has a commercial account with the scrap metal business; (b) can prove ownership of the property by producing written documentation that the seller is the owner of the property; or (c) can produce written documentation that the seller is an employee or agent authorized to sell the property on behalf of a commercial enterprise.

(3) No scrap metal business may enter into a transaction to purchase or receive metallic wire that was burned in whole or in part to remove insulation unless the seller can produce written proof to the scrap metal business that the wire was lawfully burned.

(4) No transaction involving nonferrous metal property valued at greater than thirty dollars may be made in cash or with any person who does not provide a street address under the requirements of section 2 of this act. For transactions valued at greater than thirty dollars, the person with whom the transaction is being made may only be paid by a nontransferable check, mailed by the scrap metal business to a street address provided under section 2 of this act, no earlier than ten days after the transaction was made. A transaction occurs on the date provided in the record required under section 2 of this act.

(5) No scrap metal business may purchase or receive beer kegs from anyone except a manufacturer of beer kegs or licensed brewery.

NEW SECTION. Sec. 4. RECORD FOR COMMERCIAL ACCOUNTS. (1) Every scrap metal business must create and maintain a permanent record with a commercial enterprise, including another scrap metal business, in order to establish a commercial account. That record, at a minimum, must include the following information:

(a) The full name of the commercial enterprise or commercial account;

(b) The business address and telephone number of the commercial enterprise or commercial account; and

(c) The full name of the person employed by the commercial enterprise who is authorized to deliver nonferrous metal property and commercial metal property to the scrap metal business.

(2) The record maintained by a scrap metal business for a commercial account must document every purchase or receipt of nonferrous metal property and commercial metal property from the commercial enterprise. The documentation must include, at a minimum, the following information:

(a) The time, date, and value of the property being purchased or received;

(b) A description of the predominant types of property being purchased or received; and

(c) The signature of the person delivering the property to the scrap metal business.

NEW SECTION. Sec. 5. REPORTING TO LAW ENFORCEMENT. (1) Upon request by any commissioned law enforcement officer of the state or any of its political subdivisions, every scrap metal business shall furnish a full, true, and correct transcript of the records from the purchase or receipt of nonferrous

metal property and commercial metal property involving a specific individual, vehicle, or item of nonferrous metal property or commercial metal property. This information may be transmitted within a specified time of not less than two business days to the applicable law enforcement agency electronically, by facsimile transmission, or by modem or similar device, or by delivery of computer disk subject to the requirements of, and approval by, the chief of police or the county's chief law enforcement officer.

(2) If the scrap metal business has good cause to believe that any nonferrous metal property or commercial metal property in his or her possession has been previously lost or stolen, the scrap metal business shall promptly report that fact to the applicable commissioned law enforcement officer of the state, the chief of police, or the county's chief law enforcement officer, together with the name of the owner, if known, and the date when and the name of the person from whom it was received.

NEW SECTION. Sec. 6. PRESERVING EVIDENCE OF METAL THEFT. (1) Following notification, either verbally or in writing, from a commissioned law enforcement officer of the state or any of its political subdivisions that an item of nonferrous metal property or commercial metal property has been reported as stolen, a scrap metal business shall hold that property intact and safe from alteration, damage, or commingling, and shall place an identifying tag or other suitable identification upon the property. The scrap metal business shall hold the property for a period of time as directed by the applicable law enforcement agency up to a maximum of ten business days.

(2) A commissioned law enforcement officer of the state or any of its political subdivisions shall not place on hold any item of nonferrous metal property or commercial metal property unless that law enforcement agency reasonably suspects that the property is a lost or stolen item. Any hold that is placed on the property must be removed within ten business days after the property on hold is determined not to be stolen or lost and the property must be returned to the owner or released.

NEW SECTION. Sec. 7. UNLAWFUL VIOLATIONS. It is a gross misdemeanor under chapter 9A.20 RCW for:

(1) Any person to deliberately remove, alter, or obliterate any manufacturer's make, model, or serial number, personal identification number, or identifying marks engraved or etched upon an item of nonferrous metal property or commercial metal property in order to deceive a scrap metal business;

(2) Any scrap metal business to enter into a transaction to purchase or receive any nonferrous metal property or commercial metal property where the manufacturer's make, model, or serial number, personal identification number, or identifying marks engraved or etched upon the property have been deliberately and conspicuously removed, altered, or obliterated;

(3) Any person to knowingly make, cause, or allow to be made any false entry or misstatement of any material matter in any book, record, or writing required to be kept under this chapter;

(4) Any scrap metal business to enter into a transaction to purchase or receive nonferrous metal property or commercial metal property from any person under the age of eighteen years or any person who is discernibly under the influence of intoxicating liquor or drugs;

(5) Any scrap metal business to enter into a transaction to purchase or receive nonferrous metal property or commercial metal property with anyone whom the scrap metal business has been informed by a law enforcement agency to have been convicted of a crime involving drugs, burglary, robbery, theft, or possession of or receiving stolen property, manufacturing, delivering, or possessing with intent to deliver methamphetamine, or possession of ephedrine or any of its salts or isomers or salts of isomers, pseudoephedrine or any of its salts or isomers or salts of isomers, or anhydrous ammonia with intent to manufacture methamphetamine within the past ten years whether the person is acting in his or her own behalf or as the agent of another;

(6) Any person to sign the declaration required under section 2 of this act knowing that the nonferrous metal property subject to the transaction is stolen. The signature of a person on the declaration

required under section 2 of this act constitutes evidence of intent to defraud a scrap metal business if that person is found to have known that the nonferrous metal property subject to the transaction was stolen;

(7) Any scrap metal business to possess commercial metal property that was not lawfully purchased or received under the requirements of this chapter; or

(8) Any scrap metal business to engage in a series of transactions valued at less than thirty dollars with the same seller for the purposes of avoiding the requirements of section 3(4) of this act.

NEW SECTION. Sec. 8. CIVIL PENALTIES. (1) Each violation of the requirements of this chapter that are not subject to the criminal penalties under section 7 of this act shall be punishable, upon conviction, by a fine of not more than one thousand dollars.

(2) Within two years of being convicted of a violation of any of the requirements of this chapter that are not subject to the criminal penalties under section 7 of this act, each subsequent violation shall be punishable, upon conviction, by a fine of not more than two thousand dollars.

NEW SECTION. Sec. 9. EXEMPTIONS. The provisions of this chapter do not apply to transactions conducted by the following:

(1) Motor vehicle dealers licensed under chapter 46.70 RCW;

(2) Vehicle wreckers or hulk haulers licensed under chapter 46.79 or 46.80 RCW;

(3) Persons in the business of operating an automotive repair facility as defined under RCW 46.71.011; and

(4) Persons in the business of buying or selling empty food and beverage containers, including metal food and beverage containers.

Sec. 10. RCW 9.94A.535 and 2005 c 68 s 3 are each amended to read as follows:

The court may impose a sentence outside the standard sentence range for an offense if it finds, considering the purpose of this chapter, that there are substantial and compelling reasons justifying an exceptional sentence. Facts supporting aggravated sentences, other than the fact of a prior conviction, shall be determined pursuant to the provisions of RCW 9.94A.537.

Whenever a sentence outside the standard sentence range is imposed, the court shall set forth the reasons for its decision in written findings of fact and conclusions of law. A sentence outside the standard sentence range shall be a determinate sentence.

If the sentencing court finds that an exceptional sentence outside the standard sentence range should be imposed, the sentence is subject to review only as provided for in RCW 9.94A.585(4).

A departure from the standards in RCW 9.94A.589 (1) and (2) governing whether sentences are to be served consecutively or concurrently is an exceptional sentence subject to the limitations in this section, and may be appealed by the offender or the state as set forth in RCW 9.94A.585 (2) through (6).

(1) Mitigating Circumstances - Court to Consider

The court may impose an exceptional sentence below the standard range if it finds that mitigating circumstances are established by a preponderance of the evidence. The following are illustrative only and are not intended to be exclusive reasons for exceptional sentences.

(a) To a significant degree, the victim was an initiator, willing participant, aggressor, or provoker of the incident.

(b) Before detection, the defendant compensated, or made a good faith effort to compensate, the victim of the criminal conduct for any damage or injury sustained.

(c) The defendant committed the crime under duress, coercion, threat, or compulsion insufficient to constitute a complete defense but which significantly affected his or her conduct.

(d) The defendant, with no apparent predisposition to do so, was induced by others to participate in the crime.

(e) The defendant's capacity to appreciate the wrongfulness of his or her conduct, or to conform his or her conduct to the requirements of the law, was significantly impaired. Voluntary use of drugs or alcohol is excluded.

(f) The offense was principally accomplished by another person and the defendant manifested extreme caution or sincere concern for the safety or well-being of the victim.

(g) The operation of the multiple offense policy of RCW 9.94A.589 results in a presumptive sentence that is clearly excessive in light of the purpose of this chapter, as expressed in RCW 9.94A.010.

(h) The defendant or the defendant's children suffered a continuing pattern of physical or sexual abuse by the victim of the offense and the offense is a response to that abuse.

(2) Aggravating Circumstances - Considered and Imposed by the Court

The trial court may impose an aggravated exceptional sentence without a finding of fact by a jury under the following circumstances:

(a) The defendant and the state both stipulate that justice is best served by the imposition of an exceptional sentence outside the standard range, and the court finds the exceptional sentence to be consistent with and in furtherance of the interests of justice and the purposes of the sentencing reform act.

(b) The defendant's prior unscored misdemeanor or prior unscored foreign criminal history results in a presumptive sentence that is clearly too lenient in light of the purpose of this chapter, as expressed in RCW 9.94A.010.

(c) The defendant has committed multiple current offenses and the defendant's high offender score results in some of the current offenses going unpunished.

(d) The failure to consider the defendant's prior criminal history which was omitted from the offender score calculation pursuant to RCW 9.94A.525 results in a presumptive sentence that is clearly too lenient.

(3) Aggravating Circumstances - Considered by a Jury - Imposed by the Court

Except for circumstances listed in subsection (2) of this section, the following circumstances are an exclusive list of factors that can support a sentence above the standard range. Such factors should be determined by procedures specified in RCW 9.94A.537.

(a) The defendant's conduct during the commission of the current offense manifested deliberate cruelty to the victim.

(b) The defendant knew or should have known that the victim of the current offense was particularly vulnerable or incapable of resistance.

(c) The current offense was a violent offense, and the defendant knew that the victim of the current offense was pregnant.

(d) The current offense was a major economic offense or series of offenses, so identified by a consideration of any of the following factors:

(i) The current offense involved multiple victims or multiple incidents per victim;

(ii) The current offense involved attempted or actual monetary loss substantially greater than typical for the offense;

(iii) The current offense involved a high degree of sophistication or planning or occurred over a lengthy period of time; or

(iv) The defendant used his or her position of trust, confidence, or fiduciary responsibility to facilitate the commission of the current offense.

(e) The current offense was a major violation of the Uniform Controlled Substances Act, chapter 69.50 RCW (VUCSA), related to trafficking in controlled substances, which was more onerous than the typical offense of its statutory definition: The presence of ANY of the following may identify a current offense as a major VUCSA:

(i) The current offense involved at least three separate transactions in which controlled substances were sold, transferred, or possessed with intent to do so;

(ii) The current offense involved an attempted or actual sale or transfer of controlled substances in quantities substantially larger than for personal use;

(iii) The current offense involved the manufacture of controlled substances for use by other parties;

(iv) The circumstances of the current offense reveal the offender to have occupied a high position in the drug distribution hierarchy;

(v) The current offense involved a high degree of sophistication or planning, occurred over a lengthy period of time, or involved a broad geographic area of disbursement; or

(vi) The offender used his or her position or status to facilitate the commission of the current offense, including positions of trust, confidence or fiduciary responsibility (e.g., pharmacist, physician, or other medical professional).

(f) The current offense included a finding of sexual motivation pursuant to RCW 9.94A.835.

(g) The offense was part of an ongoing pattern of sexual abuse of the same victim under the age of eighteen years manifested by multiple incidents over a prolonged period of time.

(h) The current offense involved domestic violence, as defined in RCW 10.99.020, and one or more of the following was present:

(i) The offense was part of an ongoing pattern of psychological, physical, or sexual abuse of the victim manifested by multiple incidents over a prolonged period of time;

(ii) The offense occurred within sight or sound of the victim's or the offender's minor children under the age of eighteen years; or

(iii) The offender's conduct during the commission of the current offense manifested deliberate cruelty or intimidation of the victim.

(i) The offense resulted in the pregnancy of a child victim of rape.

(j) The defendant knew that the victim of the current offense was a youth who was not residing with a legal custodian and the defendant established or promoted the relationship for the primary purpose of victimization.

(k) The offense was committed with the intent to obstruct or impair human or animal health care or agricultural or forestry research or commercial production.

(l) The current offense is trafficking in the first degree or trafficking in the second degree and any victim was a minor at the time of the offense.

(m) The offense involved a high degree of sophistication or planning.

(n) The defendant used his or her position of trust, confidence, or fiduciary responsibility to facilitate the commission of the current offense.

(o) The defendant committed a current sex offense, has a history of sex offenses, and is not amenable to treatment.

(p) The offense involved an invasion of the victim's privacy.

(q) The defendant demonstrated or displayed an egregious lack of remorse.

(r) The offense involved a destructive and foreseeable impact on persons other than the victim.

(s) The defendant committed the offense to obtain or maintain his or her membership or to advance his or her position in the hierarchy of an organization, association, or identifiable group.

(t) The defendant committed the current offense shortly after being released from incarceration.

(u) The current offense is a burglary and the victim of the burglary was present in the building or residence when the crime was committed.

(v) The offense was committed against a law enforcement officer who was performing his or her official duties at the time of the offense, the offender knew that the victim was a law enforcement officer, and the victim's status as a law enforcement officer is not an element of the offense.

(w) The defendant committed the offense against a victim who was acting as a good samaritan.

(x) The defendant committed the offense against a public official or officer of the court in retaliation of the public official's performance of his or her duty to the criminal justice system.

(y) The victim's injuries substantially exceed the level of bodily harm necessary to satisfy the elements of the offense. This aggravator is not an exception to RCW 9.94A.530(2).

(z)(i)(A) The current offense is theft in the first degree, theft in the second degree, possession of stolen property in the first degree, or possession of stolen property in the second degree; (B) the stolen property involved is metal property; and (C) the property damage to the victim caused in the course of the theft of metal property is more than three times the value of the stolen metal property, or the theft of the metal property creates a public hazard.

(ii) For purposes of this subsection, "metal property" means commercial metal property or nonferrous metal property, as defined in section 1 of this act.

NEW SECTION. Sec. 11. Sections 1 through 9 of this act constitute a new chapter in Title 19 RCW.

NEW SECTION. Sec. 12. RCW 9.91.110 (Metal buyers--Records of purchases--Penalty) and 1971 ex.s. c 302 s 18 are each repealed.

NEW SECTION. Sec. 13. Captions used in this act are not any part of the law.

NEW SECTION. Sec. 14. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

and that the bill do pass as recommended by the Conference Committee.

Senator Kline	Representative Morrell
Senator Tom	Representative Hurst
Senator McCaslin	Representative Warnick

There being no objection, the House adopted the conference committee report on ENGROSSED SUBSTITUTE SENATE BILL NO. 5312 and passed the bill as recommended by the conference committee to final passage.

Representatives Hurst, Warnick and Morrell spoke in favor of the passage of the bill as recommended by the conference committee.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed Substitute Senate Bill No. 5312 as recommended by the conference committee.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5312, as recommended by the Conference Committee and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5312, as recommended by the Conference Committee having received the constitutional majority, was declared passed.

There being no objection, the Rules Committee was relieved of SENATE BILL NO. 6167, and the bill was placed on the Second Reading calendar.

There being no objection, the Rules Committee was relieved of SUBSTITUTE SENATE BILL NO. 5085, and the bill was placed on the Second Reading calendar.

MESSAGE FROM THE SENATE

April 19, 2007

Mr. Speaker:

The Senate has granted the request of the House for a Conference on ENGROSSED SUBSTITUTE HOUSE NO. 1094. The President has appointed the following members as Conferees: Senators Haugen, Marr and Swecker, and the same is herewith transmitted.

Thomas Hoemann, Secretary

MESSAGE FROM THE SENATE

April 19, 2007

Mr. Speaker:

The Senate has granted the request of the House for a Conference on ENGROSSED SUBSTITUTE HOUSE BILL NO. 1092. The President has appointed the following members as Conferees: Senators Fraser, Regala and Brandland, and the same is herewith transmitted.

Thomas Hoemann, Secretary

MESSAGE FROM THE SENATE

April 14, 2007

Mr. Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6044 and asks the House to recede therefrom, and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House insisted on its position regarding the House's amendments to ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6044 and asked the Senate to concur therein.

SECOND READING

SUBSTITUTE SENATE BILL NO. 5085, By Senate Committee on Transportation (originally sponsored by Senators Haugen, Swecker and Murray)

Providing that transportation accounts receive one hundred percent of their proportionate share of earnings.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, 100th Day, April 17, 2007.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Clibborn and Jarrett spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5085, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5085, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE SENATE BILL NO. 5085, as amended by the House, having received the necessary constitutional majority, was declared passed.

SENATE BILL NO. 6167, By Senators Pridemore, Zarelli and Prentice; by request of Department of Retirement Systems

Clarifying the director's authority to determine interest in certain public retirement systems.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Conway and Alexander spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Senate Bill No. 6167.

ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 6167 and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien,

Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SENATE BILL NO. 6167, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 19, 2007

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1179, with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28B.92.080 and 2004 c 275 s 39 are each amended to read as follows:

For a student to be eligible for a state need grant a student must:

(1) Be a "needy student" or "disadvantaged student" as determined by the board in accordance with RCW 28B.92.030 (3) and (4).

(2) Have been domiciled within the state of Washington for at least one year.

(3) Be enrolled or accepted for enrollment on at least a half-time basis at an institution of higher education in Washington as defined in RCW 28B.92.030(1).

(4) Until June 30, 2011, to the extent funds are specifically appropriated for this purpose, and subject to any terms and conditions specified in the omnibus appropriations act, be enrolled or accepted for enrollment for at least three quarter credits or the equivalent semester credits at an institution of higher education in Washington as defined in RCW 28B.92.030(1).

(5) Have complied with all the rules and regulations adopted by the board for the administration of this chapter.

Sec. 2. RCW 28B.92.060 and 2005 c 93 s 3 are each amended to read as follows:

In awarding need grants, the board shall proceed substantially as follows: PROVIDED, That nothing contained herein shall be construed to prevent the board, in the exercise of its sound discretion, from following another procedure when the best interest of the program so dictates:

(1) The board shall annually select the financial aid award recipients from among Washington residents applying for student financial aid who have been ranked according to:

(a) Financial need as determined by the amount of the family contribution; and

(b) Other considerations, such as whether the student is a former foster youth.

(2) The financial need of the highest ranked students shall be met by grants depending upon the evaluation of financial need until the total allocation has been disbursed. Funds from grants which are declined, forfeited or otherwise unused shall be reawarded until disbursed, except that eligible former foster youth shall be assured receipt of a grant.

(3) A student shall be eligible to receive a state need grant for up to five years, or the credit or clock hour equivalent of five years, or up to one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate degrees concurrently. Qualifications for renewal will include maintaining satisfactory academic progress toward completion of an eligible program as determined by the board. Should the recipient terminate his or her enrollment for any reason during the academic year, the

unused portion of the grant shall be returned to the state educational grant fund by the institution according to the institution's own policy for issuing refunds, except as provided in RCW 28B.92.070.

(4) In computing financial need, the board shall determine a maximum student expense budget allowance, not to exceed an amount equal to the total maximum student expense budget at the public institutions plus the current average state appropriation per student for operating expense in the public institutions. Any child support payments received by students who are parents attending less than half-time shall not be used in computing financial need.

(5)(a) A student who is enrolled in three to six credit-bearing quarter credits, or the equivalent semester credits, may receive a grant for up to one academic year before beginning a program that leads to a degree or certificate.

(b) An eligible student enrolled on a less-than-full-time basis shall receive a prorated portion of his or her state need grant for any academic period in which he or she is enrolled on a less-than-full-time basis, as long as funds are available.

(c) An institution of higher education may award a state need grant to an eligible student enrolled in three to six credit-bearing quarter credits, or the semester equivalent, on a provisional basis if:

(i) The student has not previously received a state need grant from that institution;

(ii) The student completes the required free application for federal student aid;

(iii) The institution has reviewed the student's financial condition, and the financial condition of the student's family if the student is a dependent student, and has determined that the student is likely eligible for a state need grant; and

(iv) The student has signed a document attesting to the fact that the financial information provided on the free application for federal student aid and any additional financial information provided directly to the institution is accurate and complete, and that the student agrees to repay the institution for the grant amount if the student submitted false or incomplete information.

(6) As used in this section, "former foster youth" means a person who is at least eighteen years of age, but not more than twenty-four years of age, who was a dependent of the department of social and health services at the time he or she attained the age of eighteen.

NEW SECTION. Sec. 3. A new section is added to chapter 28B.92 RCW to read as follows:

Institutions of higher education are encouraged to review their policies and procedures regarding financial aid for students taking a less-than-half-time course load, and to implement policies and procedures providing students taking a less-than-half-time course load with the same access to institutional aid, including tuition waivers, as provided to students enrolled half time or more.

Sec. 4. RCW 28B.15.820 and 2004 c 275 s 66 are each amended to read as follows:

(1) Each institution of higher education, including technical colleges, shall deposit a minimum of three and one-half percent of revenues collected from tuition and services and activities fees in an institutional financial aid fund that is hereby created and which shall be held locally. Moneys in the fund shall be used only for the following purposes: (a) To make guaranteed long-term loans to eligible students as provided in subsections (3) through (8) of this section; (b) to make short-term loans as provided in subsection (9) of this section; or (c) to provide financial aid to needy students as provided in subsection (10) of this section.

(2) An "eligible student" for the purposes of subsections (3) through (8) and (10) of this section is a student registered for at least ~~(six)~~ three credit hours or the equivalent, who is eligible for resident tuition and fee rates as defined in RCW 28B.15.012 and 28B.15.013, and who is a "needy student" as defined in RCW 28B.92.030.

(3) The amount of the guaranteed long-term loans made under this section shall not exceed the demonstrated financial need of the student. Each institution shall establish loan terms and conditions which shall be consistent with the terms of the guaranteed loan program established by 20 U.S. Code Section 1071 et seq., as now or hereafter amended. All loans made shall be guaranteed by the Washington student loan guaranty association or its successor

agency. Institutions are hereby granted full authority to operate as an eligible lender under the guaranteed loan program.

(4) Before approving a guaranteed long-term loan, each institution shall analyze the ability of the student to repay the loan based on factors which include, but are not limited to, the student's accumulated total education loan burdens and the employment opportunities and average starting salary characteristics of the student's chosen fields of study. The institution shall counsel the student on the advisability of acquiring additional debt, and on the availability of other forms of financial aid.

(5) Each institution is responsible for collection of guaranteed long-term loans made under this section and shall exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Institutions shall cooperate with other lenders and the Washington student loan guaranty association, or its successor agency, in the coordinated collection of guaranteed loans, and shall assure that the guarantability of the loans is not violated. Collection and servicing of guaranteed long-term loans under this section shall be performed by entities approved for such servicing by the Washington student loan guaranty association or its successor agency: PROVIDED, That institutions be permitted to perform such servicing if specifically recognized to do so by the Washington student loan guaranty association or its successor agency. Collection and servicing of guaranteed long-term loans made by community colleges under subsection (1) of this section shall be coordinated by the state board for community and technical colleges and shall be conducted under procedures adopted by the state board.

(6) Receipts from payment of interest or principal or any other subsidies to which institutions as lenders are entitled, that are paid by or on behalf of borrowers of funds under subsections (3) through (8) of this section, shall be deposited in each institution's financial aid fund and shall be used to cover the costs of making the guaranteed long-term loans under this section and maintaining necessary records and making collections under subsection (5) of this section: PROVIDED, That such costs shall not exceed five percent of aggregate outstanding loan principal. Institutions shall maintain accurate records of such costs, and all receipts beyond those necessary to pay such costs, shall be deposited in the institution's financial aid fund.

(7) The governing boards of the state universities, the regional universities, and The Evergreen State College, and the state board for community and technical colleges, on behalf of the community colleges and technical colleges, shall each adopt necessary rules and regulations to implement this section.

(8) First priority for any guaranteed long-term loans made under this section shall be directed toward students who would not normally have access to educational loans from private financial institutions in Washington state, and maximum use shall be made of secondary markets in the support of loan consolidation.

(9) Short-term loans, not to exceed one year, may be made from the institutional financial aid fund to students enrolled in the institution. No such loan shall be made to any student who is known by the institution to be in default or delinquent in the payment of any outstanding student loan. A short-term loan may be made only if the institution has ample evidence that the student has the capability of repaying the loan within the time frame specified by the institution for repayment.

(10) Any moneys deposited in the institutional financial aid fund that are not used in making long-term or short-term loans may be used by the institution for locally-administered financial aid programs for needy students, such as need-based institutional employment programs or need-based tuition and fee scholarship or grant programs. These funds shall be used in addition to and not to replace institutional funds that would otherwise support these locally-administered financial aid programs. First priority in the use of these funds shall be given to needy students who have accumulated excessive educational loan burdens. An excessive educational loan burden is a burden that will be difficult to repay given employment opportunities and average starting salaries in the student's chosen fields of study. Second priority in the use of these funds shall be given to needy single parents, to assist these students with their

educational expenses, including expenses associated with child care and transportation.

NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void."

On page 1, line 3 of the title, after "grant," strike the remainder of the title and insert "amending RCW 28B.92.080, 28B.92.060, and 28B.15.820; adding a new section to chapter 28B.92 RCW; and creating a new section."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1179 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Hasegawa and Anderson spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed Substitute House Bill No. 1179, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1179, as amended by the Senate and the bill passed the House by the following vote: Yeas - 97, Nays - 1, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Sequist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 97.

Voting nay: Representative Dunn - 1.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1179, as amended by the Senate having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 19, 2007

Mr. Speaker:

The Senate receded from its amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1088. Under suspension

of the rules the bill was returned to second reading for purpose of amendment. The Senate adopted the following amendment and passed the bill as amended by the Senate:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 71.36.005 and 1991 c 326 s 11 are each amended to read as follows:

The legislature intends to (~~encourage the development of community-based interagency collaborative efforts to plan for and provide mental health services to children in a manner that~~) substantially improve the delivery of children's mental health services in Washington state through the development and implementation of a children's mental health system that:

- (1) Values early identification, intervention, and prevention;
- (2) Coordinates existing categorical children's mental health programs and funding, through efforts that include elimination of duplicative care plans and case management;
- (3) Treats each child in the context of his or her family, and provides services and supports needed to maintain a child with his or her family and community;
- (4) Integrates families into treatment through choice of treatment, participation in treatment, and provision of peer support;
- (5) Focuses on resiliency and recovery;
- (6) Relies to a greater extent on evidence-based practices;
- (7) Is sensitive to the unique cultural circumstances of children of color (~~eliminates duplicative case management,~~) and children in families whose primary language is not English;
- (8) Integrates educational support services that address students' diverse learning styles; and
- (9) To the greatest extent possible, blends categorical funding to offer more service and support options to each child.

Sec. 2. RCW 71.36.010 and 1991 c 326 s 12 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Agency" means a state, tribal, or local governmental entity or a private not-for-profit organization.
- (2) "Child" means a person under eighteen years of age, except as expressly provided otherwise in state or federal law.
- (3) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.
- (4) "County authority" means the board of county commissioners or county executive.
- ~~((4))~~ (5) "Department" means the department of social and health services.
- ~~((5))~~ (6) "Early periodic screening, diagnosis, and treatment" means the component of the federal medicaid program established pursuant to 42 U.S.C. Sec. 1396d(r), as amended.
- ~~((6))~~ (7) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population.
- (8) "Family" means a child's biological parents, adoptive parents, foster parents, guardian, legal custodian authorized pursuant to Title 26 RCW, a relative with whom a child has been placed by the department of social and health services, or a tribe.
- (9) "Promising practice" or "emerging best practice" means a practice that presents, based upon preliminary information, potential for becoming a research-based or consensus-based practice.
- (10) "Regional support network" means a county authority or group of county authorities or other nonprofit entity that (~~have~~) has entered into contracts with the secretary pursuant to chapter 71.24 RCW.

~~((7))~~ (11) "Research-based" means a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.

(12) "Secretary" means the secretary of social and health services.

(13) "Wraparound process" means a family driven planning process designed to address the needs of children and youth by the formation of a team that empowers families to make key decisions regarding the care of the child or youth in partnership with professionals and the family's natural community supports. The team produces a community-based and culturally competent intervention plan which identifies the strengths and needs of the child or youth and family and defines goals that the team collaborates on achieving with respect for the unique cultural values of the family. The "wraparound process" shall emphasize principles of persistence and outcome-based measurements of success.

NEW SECTION. Sec. 3. A new section is added to chapter 71.36 RCW to read as follows:

ELEMENTS OF A CHILDREN'S MENTAL HEALTH SYSTEM. (1) It is the goal of the legislature that, by 2012, the children's mental health system in Washington state include the following elements:

(a) A continuum of services from early identification, intervention, and prevention through crisis intervention and inpatient treatment, including peer support and parent mentoring services;

(b) Equity in access to services for similarly situated children, including children with co-occurring disorders;

(c) Developmentally appropriate, high quality, and culturally competent services available statewide;

(d) Treatment of each child in the context of his or her family and other persons that are a source of support and stability in his or her life;

(e) A sufficient supply of qualified and culturally competent children's mental health providers;

(f) Use of developmentally appropriate evidence-based and research-based practices;

(g) Integrated and flexible services to meet the needs of children who, due to mental illness or emotional or behavioral disturbance, are at risk of out-of-home placement or involved with multiple child-serving systems.

(2) The effectiveness of the children's mental health system shall be determined through the use of outcome-based performance measures. The department and the evidence-based practice institute established in section 7 of this act, in consultation with parents, caregivers, youth, regional support networks, mental health services providers, health plans, primary care providers, tribes, and others, shall develop outcome-based performance measures such as:

(a) Decreased emergency room utilization;

(b) Decreased psychiatric hospitalization;

(c) Lessening of symptoms, as measured by commonly used assessment tools;

(d) Decreased out-of-home placement, including residential, group, and foster care, and increased stability of such placements, when necessary;

(e) Decreased runaways from home or residential placements;

(f) Decreased rates of chemical dependency;

(g) Decreased involvement with the juvenile justice system;

(h) Improved school attendance and performance;

(i) Reductions in school or child care suspensions or expulsions;

(j) Reductions in use of prescribed medication where cognitive behavioral therapies are indicated;

(k) Improved rates of high school graduation and employment;

(l) Decreased use of mental health services upon reaching adulthood for mental disorders other than those that require ongoing treatment to maintain stability.

Performance measure reporting for children's mental health services should be integrated into existing performance measurement and reporting systems developed and implemented under chapter 71.24 RCW.

NEW SECTION. Sec. 4. REGIONAL SUPPORT NETWORK SERVICES--CHILDREN'S ACCESS TO CARE STANDARDS AND BENEFIT PACKAGE. As part of the system transformation initiative, the department of social and health services shall undertake

the following activities related specifically to children's mental health services:

(1) The development of recommended revisions to the access to care standards for children. The recommended revisions shall reflect the policies and principles set out in RCW 71.36.005, 71.36.010, and section 3 of this act, and recognize that early identification, intervention and prevention services, and brief intervention services may be provided outside of the regional support network system. Revised access to care standards shall assess a child's need for mental health services based upon the child's diagnosis and its negative impact upon his or her persistent impaired functioning in family, school, or the community, and should not solely condition the receipt of services upon a determination that a child is engaged in high risk behavior or is in imminent need of hospitalization or out-of-home placement. Assessment and diagnosis for children under five years of age shall be determined using a nationally accepted assessment tool designed specifically for children of that age. The recommendations shall also address whether amendments to RCW 71.24.025 (26) and (27) and 71.24.035(5) are necessary to implement revised access to care standards;

(2) Development of a revised children's mental health benefit package. The department shall ensure that services included in the children's mental health benefit package reflect the policies and principles included in RCW 71.36.005 and section 3 of this act, to the extent allowable under medicaid, Title XIX of the federal social security act. Strong consideration shall be given to developmentally appropriate evidence-based and research-based practices, family-based interventions, the use of natural and peer supports, and community support services. This effort shall include a review of other states' efforts to fund family-centered children's mental health services through their medicaid programs;

(3) Consistent with the timeline developed for the system transformation initiative, recommendations for revisions to the children's access to care standards and the children's mental health services benefits package shall be presented to the legislature by January 1, 2009.

NEW SECTION. Sec. 5. A new section is added to chapter 74.09 RCW to read as follows:

IMPROVING MEDICATION MANAGEMENT AND CARE COORDINATION. (1)(a) The department, in consultation with the evidence-based practice institute established in section 7 of this act, shall develop and implement policies to improve prescribing practices for treatment of emotional or behavioral disturbances in children, improve the quality of children's mental health therapy through increased use of evidence-based and research-based practices and reduced variation in practice, improve communication and care coordination between primary care and mental health providers, and prioritize care in the family home or care which integrates the family where out-of-home placement is required.

(b) The department shall identify those children with emotional or behavioral disturbances who may be at high risk due to off-label use of prescription medication, use of multiple medications, high medication dosage, or lack of coordination among multiple prescribing providers, and establish one or more mechanisms to evaluate the appropriateness of the medication these children are using, including but not limited to obtaining second opinions from experts in child psychiatry.

(c) The department shall review the psychotropic medications of all children under five and establish one or more mechanisms to evaluate the appropriateness of the medication these children are using, including but not limited to obtaining second opinions from experts in child psychiatry.

(d) The department shall track prescriptive practices with respect to psychotropic medications with the goal of reducing the use of medication.

(e) The department shall encourage the use of cognitive behavioral therapies and other treatments which are empirically supported or evidence-based, in addition to or in the place of prescription medication where appropriate.

(2) The department shall convene a representative group of regional support networks, community mental health centers, and

managed health care systems contracting with the department under RCW 74.09.522 to:

(a) Establish mechanisms and develop contract language that ensures increased coordination of and access to medicaid mental health benefits available to children and their families, including ensuring access to services that are identified as a result of a developmental screen administered through early periodic screening, diagnosis, and treatment;

(b) Define managed health care system and regional support network contractual performance standards that track access to and utilization of services; and

(c) Set standards for reducing the number of children that are prescribed antipsychotic drugs and receive no outpatient mental health services with their medication.

(3) The department shall submit a report on progress and any findings under this section to the legislature by January 1, 2009.

NEW SECTION. Sec. 6. A new section is added to chapter 71.36 RCW to read as follows:

MEDICAID ELIGIBLE CHILDREN IN TEMPORARY JUVENILE DETENTION. The department shall explore the feasibility of obtaining a medicaid state plan amendment to allow the state to receive medicaid matching funds for health services provided to medicaid enrolled youth who are temporarily placed in a juvenile detention facility. Temporary placement shall be defined as until adjudication or up to sixty continuous days, whichever occurs first.

NEW SECTION. Sec. 7. A new section is added to chapter 71.24 RCW to read as follows:

CHILDREN'S MENTAL HEALTH PROVIDERS. (1) The department shall provide flexibility in provider contracting to regional support networks for children's mental health services. Beginning with 2007-2009 biennium contracts, regional support network contracts shall authorize regional support networks to allow and encourage licensed community mental health centers to subcontract with individual licensed mental health professionals when necessary to meet the need for an adequate, culturally competent, and qualified children's mental health provider network.

(2) To the extent that funds are specifically appropriated for this purpose or that nonstate funds are available, a children's mental health evidence-based practice institute shall be established at the University of Washington division of public behavioral health and justice policy. The institute shall closely collaborate with entities currently engaged in evaluating and promoting the use of evidence-based, research-based, promising, or consensus-based practices in children's mental health treatment, including but not limited to the University of Washington department of psychiatry and behavioral sciences, children's hospital and regional medical center, the University of Washington school of nursing, the University of Washington school of social work, and the Washington state institute for public policy. To ensure that funds appropriated are used to the greatest extent possible for their intended purpose, the University of Washington's indirect costs of administration shall not exceed ten percent of appropriated funding. The institute shall:

(a) Improve the implementation of evidence-based and research-based practices by providing sustained and effective training and consultation to licensed children's mental health providers and child-serving agencies who are implementing evidence-based or researched-based practices for treatment of children's emotional or behavioral disorders, or who are interested in adapting these practices to better serve ethnically or culturally diverse children. Efforts under this subsection should include a focus on appropriate oversight of implementation of evidence-based practices to ensure fidelity to these practices and thereby achieve positive outcomes;

(b) Continue the successful implementation of the "partnerships for success" model by consulting with communities so they may select, implement, and continually evaluate the success of evidence-based practices that are relevant to the needs of children, youth, and families in their community;

(c) Partner with youth, family members, family advocacy, and culturally competent provider organizations to develop a series of information sessions, literature, and on-line resources for families to

become informed and engaged in evidence-based and research-based practices;

(d) Participate in the identification of outcome-based performance measures under section 3(2) of this act and partner in a statewide effort to implement statewide outcomes monitoring and quality improvement processes; and

(e) Serve as a statewide resource to the department and other entities on child and adolescent evidence-based, research-based, promising, or consensus-based practices for children's mental health treatment, maintaining a working knowledge through ongoing review of academic and professional literature, and knowledge of other evidence-based practice implementation efforts in Washington and other states.

(3) To the extent that funds are specifically appropriated for this purpose, the department in collaboration with the evidence-based practice institute shall implement a pilot program to support primary care providers in the assessment and provision of appropriate diagnosis and treatment of children with mental and behavioral health disorders and track outcomes of this program. The program shall be designed to promote more accurate diagnoses and treatment through timely case consultation between primary care providers and child psychiatric specialists, and focused educational learning collaboratives with primary care providers.

NEW SECTION. Sec. 8. A new section is added to chapter 74.09 RCW to read as follows:

(1) The department shall adopt rules and policies providing that when youth who were enrolled in a medical assistance program immediately prior to confinement are released from confinement, their medical assistance coverage will be fully reinstated on the day of their release, subject to any expedited review of their continued eligibility for medical assistance coverage that is required under federal or state law.

(2) The department, in collaboration with county juvenile court administrators and regional support networks, shall establish procedures for coordination between department field offices, juvenile rehabilitation administration institutions, and county juvenile courts that result in prompt reinstatement of eligibility and speedy eligibility determinations for youth who are likely to be eligible for medical assistance services upon release from confinement. Procedures developed under this subsection must address:

(a) Mechanisms for receiving medical assistance services' applications on behalf of confined youth in anticipation of their release from confinement;

(b) Expedient review of applications filed by or on behalf of confined youth and, to the extent practicable, completion of the review before the youth is released; and

(c) Mechanisms for providing medical assistance services' identity cards to youth eligible for medical assistance services immediately upon their release from confinement.

(3) For purposes of this section, "confined" or "confinement" means detained in a facility operated by or under contract with the department of social and health services, juvenile rehabilitation administration, or detained in a juvenile detention facility operated under chapter 13.04 RCW.

(4) The department shall adopt standardized statewide screening and application practices and forms designed to facilitate the application of a confined youth who is likely to be eligible for a medical assistance program.

NEW SECTION. Sec. 9. Educational service district boards may partner with regional support networks to respond to a request for proposal for operation of a wraparound model site under this act and, if selected, may contract for the provision of services to coordinate care and facilitate the delivery of services and other supports under a wraparound model.

NEW SECTION. Sec. 10. WRAPAROUND MODEL OF INTEGRATED CHILDREN'S MENTAL HEALTH SERVICES DELIVERY. To the extent funds are specifically appropriated for this purpose, the department of social and health services shall contract for implementation of a wraparound model of integrated children's mental health services delivery in up to four regional

support network regions in Washington state in which wraparound programs are not currently operating, and in up to two regional support network regions in which wraparound programs are currently operating. Contracts in regions with existing wraparound programs shall be for the purpose of expanding the number of children served.

(1) Funding provided may be expended for: Costs associated with a request for proposal and contracting process; administrative costs associated with successful bidders' operation of the wraparound model; the evaluation under subsection (5) of this section; and funding for services needed by children enrolled in wraparound model sites that are not otherwise covered under existing state programs. The services provided through the wraparound model sites shall include, but not be limited to, services covered under the medicaid program. The department shall maximize the use of medicaid and other existing state-funded programs as a funding source. However, state funds provided may be used to develop a broader service package to meet needs identified in a child's care plan. Amounts provided shall supplement, and not supplant, state, local, or other funding for services that a child being served through a wraparound site would otherwise be eligible to receive.

(2) The wraparound model sites shall serve children with serious emotional or behavioral disturbances who are at high risk of residential or correctional placement or psychiatric hospitalization, and who have been referred for services from the department, a county juvenile court, a tribal court, a school, or a licensed mental health provider or agency.

(3) Through a request for proposal process, the department shall contract, with regional support networks, alone or in partnership with either educational service districts or entities licensed to provide mental health services to children with serious emotional or behavioral disturbances, to operate the wraparound model sites. The contractor shall provide care coordination and facilitate the delivery of services and other supports to families using a strength-based, highly individualized wraparound process. The request for proposal shall require that:

(a) The regional support network agree to use its medicaid revenues to fund services included in the existing regional support network's benefit package that a medicaid-eligible child participating in the wraparound model site is determined to need.

(b) The contractor provide evidence of commitments from at least the following entities to participate in wraparound care plan development and service provision when appropriate: Community mental health agencies, schools, the department of social and health services children's administration, juvenile courts, the department of social and health services juvenile rehabilitation administration, and managed health care systems contracting with the department under RCW 74.09.522; and

(c) The contractor will operate the wraparound model site in a manner that maintains fidelity to the wraparound process as defined in RCW 71.36.010.

(4) Contracts for operation of the wraparound model sites shall be executed on or before April 1, 2008, with enrollment and service delivery beginning on or before July 1, 2008.

(5) The evidence-based practice institute established in section 7 of this act shall evaluate the wraparound model sites, measuring outcomes for children served. Outcomes measured shall include, but are not limited to: Decreased out-of-home placement, including residential, group, and foster care, and increased stability of such placements, school attendance, school performance, recidivism, emergency room utilization, involvement with the juvenile justice system, decreased use of psychotropic medication, and decreased hospitalization.

(6) The evidence-based practice institute shall provide a report and recommendations to the appropriate committees of the legislature by December 1, 2010.

NEW SECTION. Sec. 11. A new section is added to chapter 74.09 RCW to read as follows:

(1) To the extent that funds are specifically appropriated for this purpose the department shall revise its medicaid healthy options managed care and fee-for-service program standards under medicaid, Title XIX of the federal social security act to improve access to mental health services for children who do not meet the regional

support network access to care standards. Effective July 1, 2008, the program standards shall be revised to allow outpatient therapy services to be provided by licensed mental health professionals, as defined in RCW 71.34.020, and up to twenty outpatient therapy hours per calendar year, including family therapy visits integral to a child's treatment.

(2) This section expires July 1, 2010.

NEW SECTION. Sec. 12. (1) The evidence-based practice institute established in section 7 of this act, in consultation with the Washington state institute for public policy, shall review and summarize current law with respect to inpatient and outpatient mental health treatment for minors.

(2) The review shall include current practices to determine the percentage of cases in which parents are engaged by treatment providers and the extent to which they are actively involved in the treatment of their minor children.

(3) The evidence-based practice institute shall provide a report and recommendations to the appropriate legislative committees by December 1, 2008.

(4) This section expires December 1, 2008.

NEW SECTION. Sec. 13. The following acts or parts of acts are each repealed:

(1) RCW 71.36.020 (Plan for early periodic screening, diagnosis, and treatment services) and 2003 c 281 s 4 & 1991 c 326 s 13; and

(2) RCW 71.36.030 (Children's mental health services delivery system--Local planning efforts) and 1991 c 326 s 14.

NEW SECTION. Sec. 14. Captions used in this act are not part of the law.

NEW SECTION. Sec. 15. If specific funding for the purposes of sections 4, 5, 7, 8, 10, and 11 of this act, referencing the section by section number and by bill or chapter number, is not provided by June 30, 2007, each section not referenced is null and void."

On page 1, line 1 of the title, after "services;" strike the remainder of the title and insert "amending RCW 71.36.005 and 71.36.010; adding new sections to chapter 71.36 RCW; adding new sections to chapter 74.09 RCW; adding a new section to chapter 71.24 RCW; creating new sections; repealing RCW 71.36.020 and 71.36.030; and providing expiration dates."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1088 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Dickerson and Haler spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 1088, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1088, as amended by the Senate and the bill passed the House by the following vote: Yeas - 94, Nays - 4, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 94.

Voting nay: Representatives Anderson, Chandler, Dunn and Roach - 4.

SECOND SUBSTITUTE HOUSE BILL NO. 1088, as amended by the Senate having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 19, 2007

Mr. Speaker:

The Senate receded from its amendment to SUBSTITUTE HOUSE BILL NO. 1333. Under suspension of the rules the bill was returned to second reading for purpose of amendment. The Senate adopted the following amendment and passed the bill as amended by the Senate:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 13.34.138 and 2005 c 512 s 3 are each amended to read as follows:

(1) Except for children whose cases are reviewed by a citizen review board under chapter 13.70 RCW, the status of all children found to be dependent shall be reviewed by the court at least every six months from the beginning date of the placement episode or the date dependency is established, whichever is first, at a hearing in which it shall be determined whether court supervision should continue. The initial review hearing shall be an in-court review and shall be set six months from the beginning date of the placement episode or no more than ninety days from the entry of the disposition order, whichever comes first. The initial review hearing may be a permanency planning hearing when necessary to meet the time frames set forth in RCW 13.34.145(3) or 13.34.134. The review shall include findings regarding the agency and parental completion of disposition plan requirements, and if necessary, revised permanency time limits. This review shall consider both the agency's and parent's efforts that demonstrate consistent measurable progress over time in meeting the disposition plan requirements. The requirements for the initial review hearing, including the in-court requirement, shall be accomplished within existing resources. The supervising agency shall provide a foster parent, preadoptive parent, or relative with notice of, and their right to an opportunity to be heard in, a review hearing pertaining to the child, but only if that person is currently providing care to that child at the time of the hearing. This section shall not be construed to grant party status to any person who has been provided an opportunity to be heard.

(a) A child shall not be returned home at the review hearing unless the court finds that a reason for removal as set forth in RCW 13.34.130 no longer exists. The parents, guardian, or legal custodian shall report to the court the efforts they have made to correct the conditions which led to removal. If a child is returned, casework supervision shall continue for a period of six months, at which time there shall be a hearing on the need for continued intervention.

(b) Prior to the child returning home, the department must complete the following:

(i) Identify all adults residing in the home and conduct background checks on those persons;

(ii) Identify any persons who may act as a caregiver for the child in addition to the parent with whom the child is being placed and determine whether such persons are in need of any services in order to ensure the safety of the child, regardless of whether such persons are a party to the dependency. The department or supervising agency may recommend to the court and the court may order that placement of the child in the parent's home be contingent on or delayed based on the need for such persons to engage in or complete services to ensure the safety of the child prior to placement. If services are recommended for the caregiver, and the caregiver fails to engage in or follow through with the recommended services, the department or supervising agency must promptly notify the court; and

(iii) Notify the parent with whom the child is being placed that he or she has an ongoing duty to notify the department or supervising agency of all persons who reside in the home or who may act as a caregiver for the child both prior to the placement of the child in the home and subsequent to the placement of the child in the home as long as the court retains jurisdiction of the dependency proceeding or the department is providing or monitoring either remedial services to the parent or services to ensure the safety of the child to any caregivers.

Caregivers may be required to engage in services under this subsection solely for the purpose of ensuring the present and future safety of a child who is a ward of the court. This subsection does not grant party status to any individual not already a party to the dependency proceeding, create an entitlement to services or a duty on the part of the department or supervising agency to provide services, or create judicial authority to order the provision of services to any person other than for the express purposes of this section or RCW 13.34.025 or if the services are unavailable or unsuitable or the person is not eligible for such services.

(c) If the child is not returned home, the court shall establish in writing:

(i) Whether reasonable services have been provided to or offered to the parties to facilitate reunion, specifying the services provided or offered;

(ii) Whether the child has been placed in the least-restrictive setting appropriate to the child's needs, including whether consideration and preference has been given to placement with the child's relatives;

(iii) Whether there is a continuing need for placement and whether the placement is appropriate;

(iv) Whether there has been compliance with the case plan by the child, the child's parents, and the agency supervising the placement;

(v) Whether progress has been made toward correcting the problems that necessitated the child's placement in out-of-home care;

(vi) Whether the parents have visited the child and any reasons why visitation has not occurred or has been infrequent;

(vii) Whether additional services, including housing assistance, are needed to facilitate the return of the child to the child's parents; if so, the court shall order that reasonable services be offered specifying such services; and

(viii) The projected date by which the child will be returned home or other permanent plan of care will be implemented.

~~((e))~~ (d) The court at the review hearing may order that a petition seeking termination of the parent and child relationship be filed.

(2)(a) In any case in which the court orders that a dependent child may be returned to or remain in the child's home, the in-home placement shall be contingent upon the following:

(i) The compliance of the parents with court orders related to the care and supervision of the child, including compliance with an agency case plan; and

(ii) The continued participation of the parents, if applicable, in available substance abuse or mental health treatment if substance abuse or mental illness was a contributing factor to the removal of the child.

(b) The following may be grounds for removal of the child from the home, subject to review by the court:

(i) Noncompliance by the parents with the agency case plan or court order;

(ii) The parent's inability, unwillingness, or failure to participate in available services or treatment for themselves or the child, including substance abuse treatment if a parent's substance abuse was a contributing factor to the abuse or neglect; or

(iii) The failure of the parents to successfully and substantially complete available services or treatment for themselves or the child, including substance abuse treatment if a parent's substance abuse was a contributing factor to the abuse or neglect.

(c) In a pending dependency case in which the court orders that a dependent child may be returned home and that child is later removed from the home, the court shall hold a review hearing within thirty days from the date of removal to determine whether the permanency plan should be changed, a termination petition should be filed, or other action is warranted. The best interests of the child shall be the court's primary consideration in the review hearing.

(3) The court's ability to order housing assistance under RCW 13.34.130 and this section is: (a) Limited to cases in which homelessness or the lack of adequate and safe housing is the primary reason for an out-of-home placement; and (b) subject to the availability of funds appropriated for this specific purpose.

(4) The court shall consider the child's relationship with siblings in accordance with RCW 13.34.130(3).

Sec. 2. RCW 13.34.025 and 2002 c 52 s 2 are each amended to read as follows:

(1) The department of social and health services shall develop methods for coordination of services to parents and children in child dependency cases. To the maximum extent possible under current funding levels, the department must:

~~((+))~~ (a) Coordinate and integrate services to children and families, using service plans and activities that address the children's and families' multiple needs, including ensuring that siblings have regular visits with each other, as appropriate. Assessment criteria should screen for multiple needs;

~~((+))~~ (b) Develop treatment plans for the individual needs of the client in a manner that minimizes the number of contacts the client is required to make; and

~~((+))~~ (c) Access training for department staff to increase skills across disciplines to assess needs for mental health, substance abuse, developmental disabilities, and other areas.

(2) The department shall coordinate within the administrations of the department, and with contracted service providers, to ensure that parents in dependency proceedings under this chapter receive priority access to remedial services recommended by the department in its social study or ordered by the court for the purpose of correcting any parental deficiencies identified in the dependency proceeding that are capable of being corrected in the foreseeable future. Services may also be provided to caregivers other than the parents as identified in RCW 13.34.138.

(a) For purposes of this chapter, remedial services are those services defined in the federal adoption and safe families act as time-limited family reunification services. Remedial services include individual, group, and family counseling; substance abuse treatment services; mental health services; assistance to address domestic violence; services designed to provide temporary child care and therapeutic services for families; and transportation to or from any of the above services and activities.

(b) The department shall provide funds for remedial services if the parent is unable to pay to the extent funding is appropriated in the operating budget or otherwise available to the department for such specific services. As a condition for receiving funded remedial services, the court may inquire into the parent's ability to pay for all or part of such services or may require that the parent make appropriate applications for funding to alternative funding sources for such services.

(c) If court-ordered remedial services are unavailable for any reason, including lack of funding, lack of services, or language barriers, the department shall promptly notify the court that the parent

is unable to engage in the treatment due to the inability to access such services.

(d) This section does not create an entitlement to services and does not create judicial authority to order the provision of services except for the specific purpose of making reasonable efforts to remedy parental deficiencies identified in a dependency proceeding under this chapter.

NEW SECTION. Sec. 3. A new section is added to chapter 26.44 RCW to read as follows:

(1) Each county shall revise and expand its existing child sexual abuse investigation protocol to address investigations of child fatality, child physical abuse, and criminal child neglect cases and to incorporate the statewide guidelines for first responders to child fatalities developed by the criminal justice training commission. The protocols shall address the coordination of child fatality, child physical abuse, and criminal child neglect investigations between the county and city prosecutor's offices, law enforcement, children's protective services, local advocacy groups, emergency medical services, and any other local agency involved in the investigation of such cases. The protocol revision and expansion shall be developed by the prosecuting attorney in collaboration with the agencies referenced in this section.

(2) Revised and expanded protocols under this section shall be adopted and in place by July 1, 2008. Thereafter, the protocols shall be reviewed every two years to determine whether modifications are needed.

NEW SECTION. Sec. 4. A new section is added to chapter 43.101 RCW to read as follows:

(1) The commission, in consultation with the department of social and health services, the Washington association of sheriffs and police chiefs, and the Washington association of prosecuting attorneys, shall develop a curriculum related to child abuse and neglect to be included in the basic law enforcement training that must be successfully completed within the first fifteen months of employment of all law enforcement personnel.

(2) The curriculum must be incorporated into the basic law enforcement training program by July 1, 2008.

NEW SECTION. Sec. 5. (1) The joint legislative audit and review committee shall analyze gaps throughout the state in the availability and accessibility of services identified in the federal adoption and safe families act as it existed on the effective date of this section.

(2) The joint legislative audit and review committee shall submit to appropriate committees of the legislature a report and recommendations by December 1, 2007.

NEW SECTION. Sec. 6. A new section is added to chapter 13.34 RCW to read as follows:

(1) The administrative office of the courts, in consultation with the attorney general's office and the department of social and health services, shall compile an annual report, providing information about cases that fail to meet statutory guidelines to achieve permanency for dependent children.

(2) The administrative office of the courts shall submit the annual report required by this section to appropriate committees of the legislature by December 1st of each year, beginning on December 1, 2007.

Sec. 7. RCW 74.13.330 and 1990 c 284 s 23 are each amended to read as follows:

Foster parents are responsible for the protection, care, supervision, and nurturing of the child in placement. As an integral part of the foster care team, foster parents shall, if appropriate and they desire to: Participate in the development of the service plan for the child and the child's family; assist in family visitation, including monitoring; ~~(and)~~ model effective parenting behavior for the natural family; and be available to help with the child's transition back to the natural family.

Sec. 8. RCW 71.24.035 and 2006 c 333 s 201 are each amended to read as follows:

(1) The department is designated as the state mental health authority.

(2) The secretary shall provide for public, client, and licensed service provider participation in developing the state mental health program, developing contracts with regional support networks, and any waiver request to the federal government under medicaid.

(3) The secretary shall provide for participation in developing the state mental health program for children and other underserved populations, by including representatives on any committee established to provide oversight to the state mental health program.

(4) The secretary shall be designated as the regional support network if the regional support network fails to meet state minimum standards or refuses to exercise responsibilities under RCW 71.24.045.

(5) The secretary shall:

(a) Develop a biennial state mental health program that incorporates regional biennial needs assessments and regional mental health service plans and state services for mentally ill adults and children. The secretary shall also develop a six-year state mental health plan;

(b) Assure that any regional or county community mental health program provides access to treatment for the region's residents, including parents who are defendants in dependency cases, in the following order of priority: (i) The acutely mentally ill; (ii) chronically mentally ill adults and severely emotionally disturbed children; and (iii) the seriously disturbed. Such programs shall provide:

(A) Outpatient services;

(B) Emergency care services for twenty-four hours per day;

(C) Day treatment for mentally ill persons which includes training in basic living and social skills, supported work, vocational rehabilitation, and day activities. Such services may include therapeutic treatment. In the case of a child, day treatment includes age-appropriate basic living and social skills, educational and prevocational services, day activities, and therapeutic treatment;

(D) Screening for patients being considered for admission to state mental health facilities to determine the appropriateness of admission;

(E) Employment services, which may include supported employment, transitional work, placement in competitive employment, and other work-related services, that result in mentally ill persons becoming engaged in meaningful and gainful full or part-time work. Other sources of funding such as the division of vocational rehabilitation may be utilized by the secretary to maximize federal funding and provide for integration of services;

(F) Consultation and education services; and

(G) Community support services;

(c) Develop and adopt rules establishing state minimum standards for the delivery of mental health services pursuant to RCW 71.24.037 including, but not limited to:

(i) Licensed service providers. These rules shall permit a county-operated mental health program to be licensed as a service provider subject to compliance with applicable statutes and rules. The secretary shall provide for deeming of compliance with state minimum standards for those entities accredited by recognized behavioral health accrediting bodies recognized and having a current agreement with the department;

(ii) Regional support networks; and

(iii) Inpatient services, evaluation and treatment services and facilities under chapter 71.05 RCW, resource management services, and community support services;

(d) Assure that the special needs of minorities, the elderly, disabled, children, ~~((and))~~ low-income persons, and parents who are defendants in dependency cases are met within the priorities established in this section;

(e) Establish a standard contract or contracts, consistent with state minimum standards and RCW 71.24.320, 71.24.330, and 71.24.3201, which shall be used in contracting with regional support networks. The standard contract shall include a maximum fund balance, which shall be consistent with that required by federal regulations or waiver stipulations;

(f) Establish, to the extent possible, a standardized auditing procedure which minimizes paperwork requirements of regional support networks and licensed service providers. The audit procedure shall focus on the outcomes of service and not the processes for accomplishing them;

(g) Develop and maintain an information system to be used by the state and regional support networks that includes a tracking method which allows the department and regional support networks to identify mental health clients' participation in any mental health service or public program on an immediate basis. The information system shall not include individual patient's case history files. Confidentiality of client information and records shall be maintained as provided in this chapter and in RCW 71.05.390, 71.05.420, and 71.05.440;

(h) License service providers who meet state minimum standards;

(i) Certify regional support networks that meet state minimum standards;

(j) Periodically monitor the compliance of certified regional support networks and their network of licensed service providers for compliance with the contract between the department, the regional support network, and federal and state rules at reasonable times and in a reasonable manner;

(k) Fix fees to be paid by evaluation and treatment centers to the secretary for the required inspections;

(l) Monitor and audit regional support networks and licensed service providers as needed to assure compliance with contractual agreements authorized by this chapter;

(m) Adopt such rules as are necessary to implement the department's responsibilities under this chapter; and

(n) Assure the availability of an appropriate amount, as determined by the legislature in the operating budget by amounts appropriated for this specific purpose, of community-based, geographically distributed residential services.

(6) The secretary shall use available resources only for regional support networks, except to the extent authorized, and in accordance with any priorities or conditions specified, in the biennial appropriations act.

(7) Each certified regional support network and licensed service provider shall file with the secretary, on request, such data, statistics, schedules, and information as the secretary reasonably requires. A certified regional support network or licensed service provider which, without good cause, fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent reports thereof, may have its certification or license revoked or suspended.

(8) The secretary may suspend, revoke, limit, or restrict a certification or license, or refuse to grant a certification or license for failure to conform to: (a) The law; (b) applicable rules and regulations; (c) applicable standards; or (d) state minimum standards.

(9) The superior court may restrain any regional support network or service provider from operating without certification or a license or any other violation of this section. The court may also review, pursuant to procedures contained in chapter 34.05 RCW, any denial, suspension, limitation, restriction, or revocation of certification or license, and grant other relief required to enforce the provisions of this chapter.

(10) Upon petition by the secretary, and after hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the secretary authorizing him or her to enter at reasonable times, and examine the records, books, and accounts of any regional support network or service provider refusing to consent to inspection or examination by the authority.

(11) Notwithstanding the existence or pursuit of any other remedy, the secretary may file an action for an injunction or other process against any person or governmental unit to restrain or prevent the establishment, conduct, or operation of a regional support network or service provider without certification or a license under this chapter.

(12) The standards for certification of evaluation and treatment facilities shall include standards relating to maintenance of good physical and mental health and other services to be afforded persons pursuant to this chapter and chapters 71.05 and 71.34 RCW, and

shall otherwise assure the effectuation of the purposes of these chapters.

(13) The department shall distribute appropriated state and federal funds in accordance with any priorities, terms, or conditions specified in the appropriations act.

(14) The secretary shall assume all duties assigned to the nonparticipating regional support networks under chapters 71.05, 71.34, and 71.24 RCW. Such responsibilities shall include those which would have been assigned to the nonparticipating counties in regions where there are not participating regional support networks.

The regional support networks, or the secretary's assumption of all responsibilities under chapters 71.05, 71.34, and 71.24 RCW, shall be included in all state and federal plans affecting the state mental health program including at least those required by this chapter, the medicaid program, and P.L. 99-660. Nothing in these plans shall be inconsistent with the intent and requirements of this chapter.

(15) The secretary shall:

(a) Disburse funds for the regional support networks within sixty days of approval of the biennial contract. The department must either approve or reject the biennial contract within sixty days of receipt.

(b) Enter into biennial contracts with regional support networks. The contracts shall be consistent with available resources. No contract shall be approved that does not include progress toward meeting the goals of this chapter by taking responsibility for: (i) Short-term commitments; (ii) residential care; and (iii) emergency response systems.

(c) Notify regional support networks of their allocation of available resources at least sixty days prior to the start of a new biennial contract period.

(d) Deny all or part of the funding allocations to regional support networks based solely upon formal findings of noncompliance with the terms of the regional support network's contract with the department. Regional support networks disputing the decision of the secretary to withhold funding allocations are limited to the remedies provided in the department's contracts with the regional support networks.

(16) The department, in cooperation with the state congressional delegation, shall actively seek waivers of federal requirements and such modifications of federal regulations as are necessary to allow federal medicaid reimbursement for services provided by free-standing evaluation and treatment facilities certified under chapter 71.05 RCW. The department shall periodically report its efforts to the appropriate committees of the senate and the house of representatives.

NEW SECTION. Sec. 9. This act may be known and cited as Sirita's law."

On page 1, line 1 of the title, after "children;" strike the remainder of the title and insert "amending RCW 13.34.138, 13.34.025, 74.13.330, and 71.24.035; adding a new section to chapter 26.44 RCW; adding a new section to chapter 43.101 RCW; adding a new section to chapter 13.34 RCW; and creating new sections."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1333 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Kagi and Hinkle spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute House Bill No. 1333, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1333, as amended by the Senate and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SUBSTITUTE HOUSE BILL NO. 1333, as amended by the Senate having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Mr. Speaker:

The Senate receded from its amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1334. Under suspension of the rules the bill was returned to second reading for purpose of amendment. The Senate adopted the following amendment and passed the bill as amended by the Senate:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that in order to allow courts to make well-informed placement decisions for children in the care of the state, the courts must have accurate information, including documentation supporting assertions or recommendations made by social workers, when appropriate.

NEW SECTION. Sec. 2. A new section is added to chapter 13.34 RCW to read as follows:

In any proceeding under this chapter, if the department submits a report to the court in which the department is recommending a new placement or a change in placement, the department shall include the documents relevant to persons in the home in which a child will be placed and listed in subsections (1) through (5) of this section to the report. The department shall include only these relevant documents and shall not attach the entire history of the subject of the report.

(1) If the report contains a recommendation, opinion, or assertion by the department relating to substance abuse treatment, mental health treatment, anger management classes, or domestic violence classes, the department shall attach the document upon which the recommendation, opinion, or assertion was based. The documentation may include the progress report or evaluation submitted by the provider, but may not include the entire history with the provider.

(2) If the report contains a recommendation, opinion, or assertion by the department relating to visitation with a child, the

department shall attach the document upon which the recommendation, opinion, or assertion was based. The documentation may include the most recent visitation report, a visitation report referencing a specific incident alleged in the report, or summary of the visitation prepared by the person who supervised the visitation. The documentation attached to the report shall not include the entire visitation history.

(3) If the report contains a recommendation, opinion, or assertion by the department relating to the psychological status of a person, the department shall attach the document upon which the recommendation, opinion, or assertion was based. The documentation may include the progress report, evaluation, or summary submitted by the provider, but shall not include the entire history of the person.

(4) If the report contains a recommendation, opinion, or assertion by the department relating to injuries to a child, the department shall attach a summary of the physician's report relating to the recommendation, opinion, or assertion by the department.

(5) If the report contains a recommendation, opinion, or assertion by the department relating to a home study, licensing action, or background check information, the department shall attach the document or documents upon which that recommendation, opinion, or assertion is based.

NEW SECTION. Sec. 3. This act shall be known and cited as the Rafael Gomez act.

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void."

On page 1, line 1 of the title, after "proceedings;" strike the remainder of the title and insert "adding a new section to chapter 13.34 RCW; and creating new sections."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1334 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Kagi and Hinkle spoke in favor the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Second Substitute House Bill No. 1334, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1334, as amended by the Senate and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire,

Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

SECOND SUBSTITUTE HOUSE BILL NO. 1334, as amended by the Senate having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 19, 2007

Mr. Speaker:

The Senate receded from its amendment to HOUSE BILL NO. 1377. Under suspension of the rules the bill was returned to second reading for purpose of amendment. The Senate adopted the following amendment and passed the bill as amended by the Senate:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 74.15.020 and 2006 c 265 s 401, 2006 c 90 s 1, and 2006 c 54 s 7 are each reenacted and amended to read as follows:

For the purpose of this chapter and RCW 74.13.031, and unless otherwise clearly indicated by the context thereof, the following terms shall mean:

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives children, expectant mothers, or persons with developmental disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 74.13.032 through 74.13.036;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster-family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster-family home, which is maintained and operated for the care of a group of children on a twenty-four hour basis;

(g) "HOPE center" means an agency licensed by the secretary to provide temporary residential placement and other services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days;

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no other placement alternative is available and the department approves the placement;

(j) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(iv) Spouses of any persons named in (i), (ii), or (iii) of this subsection (2)(a), even after the marriage is terminated; ~~(or)~~

(v) Relatives, as named in (i), (ii), (iii), or (iv) of this subsection (2)(a), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twenty-four-hour basis have agreed to the placement in writing and the state is not providing any payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States immigration and naturalization service, or persons who have the care of such an international child in their home;

(f) Schools, including boarding schools, which are engaged primarily in education, operate on a definite school year schedule,

follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and boarding homes licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter.

(3) "Department" means the state department of social and health services.

(4) "Family child care licensee" means a person who: (a) Provides regularly scheduled care for a child or children in the home of the provider for periods of less than twenty-four hours or, if necessary due to the nature of the parent's work, for periods equal to or greater than twenty-four hours; (b) does not receive child care subsidies; and (c) is licensed by the state under RCW 74.15.030.

(5) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(6) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of social and health services.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the job training partnership act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs.

Sec. 2. RCW 13.34.130 and 2003 c 227 s 3 are each amended to read as follows:

If, after a fact-finding hearing pursuant to RCW 13.34.110, it has been proven by a preponderance of the evidence that the child is dependent within the meaning of RCW 13.34.030 after consideration of the social study prepared pursuant to RCW 13.34.110 and after a

disposition hearing has been held pursuant to RCW 13.34.110, the court shall enter an order of disposition pursuant to this section.

(1) The court shall order one of the following dispositions of the case:

(a) Order a disposition other than removal of the child from his or her home, which shall provide a program designed to alleviate the immediate danger to the child, to mitigate or cure any damage the child has already suffered, and to aid the parents so that the child will not be endangered in the future. In determining the disposition, the court should choose those services, including housing assistance, that least interfere with family autonomy and are adequate to protect the child.

(b) Order the child to be removed from his or her home and into the custody, control, and care of a relative or the department or a licensed child placing agency for ~~((placement))~~ supervision of the child's placement. The department or agency supervising the child's placement has the authority to place the child, subject to review and approval by the court (i) with a relative as defined in RCW 74.15.020(2)(a), (ii) in a foster family home or group care facility licensed pursuant to chapter 74.15 RCW, or ((in a home not required to be licensed pursuant to chapter 74.15 RCW)) (iii) in the home of another suitable person if the child or family has a preexisting relationship with that person, and the person has completed all required criminal history background checks and otherwise appears to the department or supervising agency to be suitable and competent to provide care for the child. Absent good cause, the department or supervising agency shall follow the wishes of the natural parent regarding the placement of the child in accordance with RCW 13.34.260. The department or supervising agency may only place a child with a person not related to the child as defined in RCW 74.15.020(2)(a) when the court finds that such placement is in the best interest of the child. Unless there is reasonable cause to believe that the health, safety, or welfare of the child would be jeopardized or that efforts to reunite the parent and child will be hindered, such child shall be placed with a person who is: ~~((A))~~ (A) Related to the child as defined in RCW 74.15.020(2)(a) with whom the child has a relationship and is comfortable; and ((B)) (B) willing and available to care for the child.

(2) Placement of the child with a relative under this subsection shall be given preference by the court. An order for out-of-home placement may be made only if the court finds that reasonable efforts have been made to prevent or eliminate the need for removal of the child from the child's home and to make it possible for the child to return home, specifying the services that have been provided to the child and the child's parent, guardian, or legal custodian, and that preventive services have been offered or provided and have failed to prevent the need for out-of-home placement, unless the health, safety, and welfare of the child cannot be protected adequately in the home, and that:

(a) There is no parent or guardian available to care for such child;

(b) The parent, guardian, or legal custodian is not willing to take custody of the child; or

(c) The court finds, by clear, cogent, and convincing evidence, a manifest danger exists that the child will suffer serious abuse or neglect if the child is not removed from the home and an order under RCW 26.44.063 would not protect the child from danger.

(3) If the court has ordered a child removed from his or her home pursuant to subsection (1)(b) of this section, the court shall consider whether it is in a child's best interest to be placed with, have contact with, or have visits with siblings.

(a) There shall be a presumption that such placement, contact, or visits are in the best interests of the child provided that:

(i) The court has jurisdiction over all siblings subject to the order of placement, contact, or visitation pursuant to petitions filed under this chapter or the parents of a child for whom there is no jurisdiction are willing to agree; and

(ii) There is no reasonable cause to believe that the health, safety, or welfare of any child subject to the order of placement, contact, or visitation would be jeopardized or that efforts to reunite the parent and child would be hindered by such placement, contact, or visitation. In no event shall parental visitation time be reduced in order to provide sibling visitation.

(b) The court may also order placement, contact, or visitation of a child with a step-brother or step-sister provided that in addition to the factors in (a) of this subsection, the child has a relationship and is comfortable with the step-sibling.

(4) If the court has ordered a child removed from his or her home pursuant to subsection (1)(b) of this section, the court may order that a petition seeking termination of the parent and child relationship be filed if the requirements of RCW 13.34.132 are met.

(5) If there is insufficient information at the time of the disposition hearing upon which to base a determination regarding the suitability of a proposed placement with a relative, the child shall remain in foster care and the court shall direct the supervising agency to conduct necessary background investigations as provided in chapter 74.15 RCW and report the results of such investigation to the court within thirty days. However, if such relative appears otherwise suitable and competent to provide care and treatment, the criminal history background check need not be completed before placement, but as soon as possible after placement. Any placements with relatives, pursuant to this section, shall be contingent upon cooperation by the relative with the agency case plan and compliance with court orders related to the care and supervision of the child including, but not limited to, court orders regarding parent-child contacts, sibling contacts, and any other conditions imposed by the court. Noncompliance with the case plan or court order shall be grounds for removal of the child from the relative's home, subject to review by the court."

On page 1, line 1 of the title, after "children;" strike the remainder of the title and insert "amending RCW 13.34.130; and reenacting and amending RCW 74.15.020."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1377 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Kagi, Haler and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of House Bill No. 1377, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1377, as amended by the Senate and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Barlow, Blake, Buri, Campbell, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee, Eddy, Eickmeyer, Ericks, Ericksen, Flannigan, Fromhold, Goodman, Grant, Green, Haigh, Hailey, Haler, Hankins, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Hurst, Jarrett, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Lantz, Linville, Lovick, McCoy, McCune, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Newhouse, O'Brien, Orcutt, Ormsby, Pearson, Pedersen, Pettigrew, Priest, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schindler, Schual-Berke, Seaquist, Sells, Simpson, Skinner, Sommers, Springer, Strow, Sullivan, B., Sullivan, P., Sump, Takko,

Upthegrove, Van De Wege, Wallace, Walsh, Warnick, Williams, Wood and Mr. Speaker - 98.

HOUSE BILL NO. 1377, as amended by the Senate having received the constitutional majority, was declared passed.

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 10:00 a.m., April 20, 2007, the 103rd Day of the Regular Session.

FRANK CHOPP, Speaker

RICHARD NAFZIGER, Chief Clerk

Draft